

Utah County, Utah

# Financial Statements

*For the Year Ended December 31, 2006*



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## INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners  
Utah County  
Provo, UT

June 15, 2007

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, (the County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the foregoing table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Pointe Solid Waste Special Service District and Wasatch Mental Health, which represent 97 percent of the assets, 98 percent of the revenues, and 97 percent of the net assets of the component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Point Solid Waste Special Service District and Wasatch Mental Health, is based solely upon the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such basic financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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Management's Discussion and Analysis on pages 3 through 12 and Required Supplementary Information on pages 44 through 49 are not a required part of the basic financial statements, but are supplementary information required by GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary combining and individual fund statements and schedules described in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2007, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.



GILBERT & STEWART  
Certified Public Accountants

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Utah County, Utah**  
**Management's Discussion and Analysis**  
**December 31, 2006**

As management of Utah County, Utah, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2006.

**Financial Highlights**

- At the close of the most recent fiscal year, the assets of the County exceeded its liabilities by \$184,730,538 (*net assets*). Of this amount, \$74,918,661 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors. The government's total net assets increased by \$12,203,963.
- The total net assets of \$184,730,538 consist of \$90,253,468 in capital assets net of related debt and \$94,477,070 in other net assets.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$86,249,959, an increase of \$5,476,213 in comparison with the prior year. Of this amount, \$80,217,982, or 93 percent of combined ending fund balances, is *available for spending* at the government's discretion (*unreserved, undesignated fund balance*).
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$16,460,369, or 30 percent of total general fund expenditures.
- The County's total bonded debt increased by \$3,505,000 (7 percent) during the current fiscal year. The key factors in the change in bonded debt were:
  - Principal debt payments of \$1,985,000 in general obligation bonds, originally issued for construction of the County Administration Building, County Security Center, and McKay Events Center.
  - Principal debt payments of \$2,125,000 in revenue bonds, originally issued to (1) refund the 2001 revenue bonds issued for construction of the Health & Justice Building and Utah County Animal Shelter and (2) provide funding for expansion of the Utah County Jail.
  - New issuance of \$7,615,000 in revenue bonds to provide additional funding for expansion of the Utah County Jail.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Utah County's finances, in a manner similar to a private-sector business.



- The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Consideration should also be given to other non-financial factors that may affect the net assets.
- The *statement of activities* presents information showing how the government's net assets changed during the fiscal year being reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Accordingly, revenues and expenses are reported in this statement with no consideration to when cash is actually received or paid.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public health, highways and streets, and parks and recreation. The County has no business-type activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable. These entities include: Timpanogos Special Service District, North Pointe Solid Waste Special Service District, North Fork Special Service District, the Utah Valley Convention and Visitors Bureau, and Wasatch Mental Health Special Service District. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The Municipal Building Authority, although also legally separate, functions for all practical purposes as a department of the County, and therefore has been included as an integral part of the primary government.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the

governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Health Department fund, Substance Abuse fund, and Capital Projects fund, all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

- **Proprietary funds.** There are two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County has no enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles, Jail food service, building maintenance, communication systems (telephone and radio), and information systems. Because these internal services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's rating system for its roads.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$184,730,538 at the close of the most recent fiscal year.

The largest portion of the County's net assets (\$90,253,468 or 49 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (\$19,558,409 or 11 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$74,918,661 or 41 percent) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report a positive balance of net assets. The same situation held true for the prior fiscal year.

### Utah County's Net Assets

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$105,750,129	\$ 98,916,826	\$ 0	\$ 0	\$105,750,129	\$ 98,916,826
Capital assets	149,642,973	138,561,118	0	0	149,642,973	138,561,118
<b>Total assets</b>	<b>255,393,102</b>	<b>237,477,944</b>	<b>0</b>	<b>0</b>	<b>255,393,102</b>	<b>237,477,944</b>
Long-term liabilities outstanding	55,680,430	52,763,261	0	0	55,680,430	52,763,261
Other liabilities	14,982,134	12,188,108	0	0	14,982,134	12,188,108
<b>Total liabilities</b>	<b>70,662,564</b>	<b>64,951,369</b>	<b>0</b>	<b>0</b>	<b>70,662,564</b>	<b>64,951,369</b>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	90,253,468	82,938,623	0	0	90,253,468	82,938,623
Restricted	19,558,409	19,426,439	0	0	19,558,409	19,426,439
Unrestricted	74,918,661	70,161,513	0	0	74,918,661	70,161,513
<b>Total net assets</b>	<b>\$184,730,538</b>	<b>\$172,526,575</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$184,730,538</b>	<b>\$172,526,575</b>

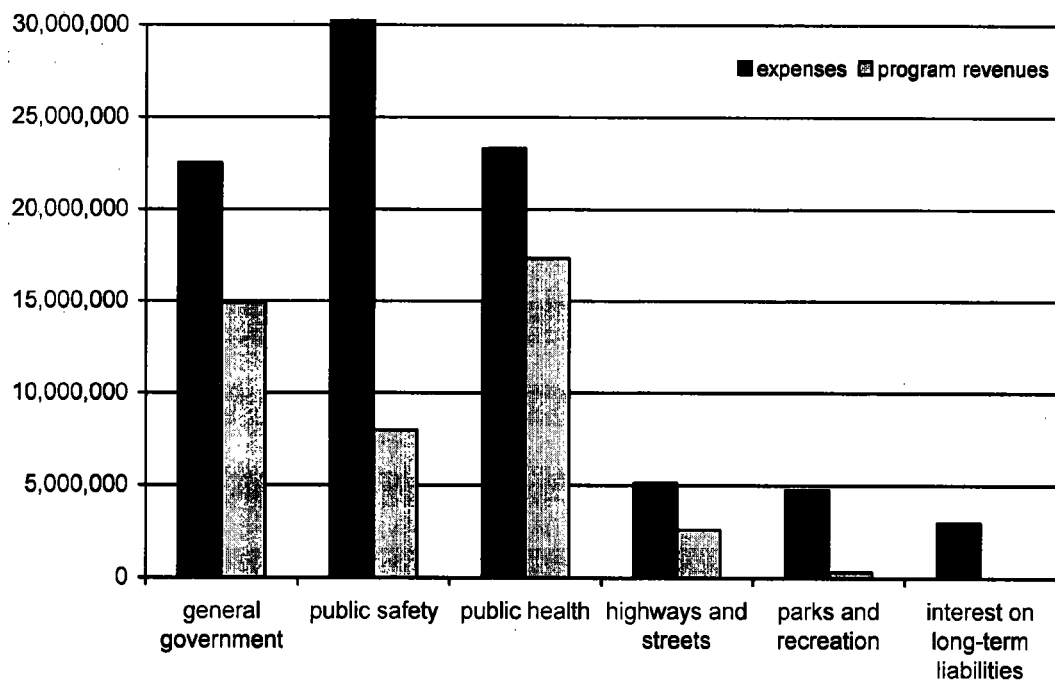
There was an increase of \$131,970 in restricted net assets reported in connection with the County's governmental activities. This increase resulted from an increase of \$5,188,439 on the restriction of certain assets associated with the County's debt service and a decrease of \$5,056,469 on the restriction of certain assets associated with assessing and collecting activities. The decrease on the restriction of certain assets associated with assessing and collecting activities is the result of (1) a decrease in tax revenues as a result of a shift of the property tax rate from assessing and collecting to general property tax revenue and (2) an increase in expenditures related to the reappraisal of commercial properties located within the County.

### Utah County's Changes in Net Assets

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 23,577,785	\$ 23,408,392	\$ 0	\$ 0	\$ 23,577,785	\$ 23,408,392
Operating grants and contributions	19,572,587	19,786,490	0	0	19,572,587	19,786,490
Capital grants and contributions	0	3,486,604	0	0	0	3,486,604
<b>General revenues:</b>						
Property taxes	30,781,535	29,074,142	0	0	30,781,535	29,074,142
Other taxes	23,229,976	20,548,358	0	0	23,229,976	20,548,358
Other	4,098,980	2,618,203	0	0	4,098,980	2,618,203
<b>Total revenues</b>	<b>101,260,863</b>	<b>98,922,189</b>	<b>0</b>	<b>0</b>	<b>101,260,863</b>	<b>98,922,189</b>
<b>Expenses:</b>						
General government	22,529,672	27,603,033	0	0	22,529,672	27,603,033
Public safety	30,315,850	27,947,841	0	0	30,315,850	27,947,841
Public health	23,305,395	22,756,167	0	0	23,305,395	22,756,167
Highways and streets	5,133,861	4,858,568	0	0	5,133,861	4,858,568
Parks and recreation	4,763,494	3,860,102	0	0	4,763,494	3,860,102
Interest on long-term liabilities	3,008,628	2,197,346	0	0	3,008,628	2,197,346
<b>Total expenses</b>	<b>89,056,900</b>	<b>89,223,057</b>	<b>0</b>	<b>0</b>	<b>89,056,900</b>	<b>89,223,057</b>
<b>Increase in net assets</b>	<b>12,203,963</b>	<b>9,699,132</b>	<b>0</b>	<b>0</b>	<b>12,203,963</b>	<b>9,699,132</b>
<b>Net assets – beginning</b>	<b>172,526,575</b>	<b>162,827,443</b>	<b>0</b>	<b>0</b>	<b>172,526,575</b>	<b>162,827,443</b>
<b>Net assets – ending</b>	<b>\$184,730,538</b>	<b>\$172,526,575</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$184,730,538</b>	<b>\$172,526,575</b>

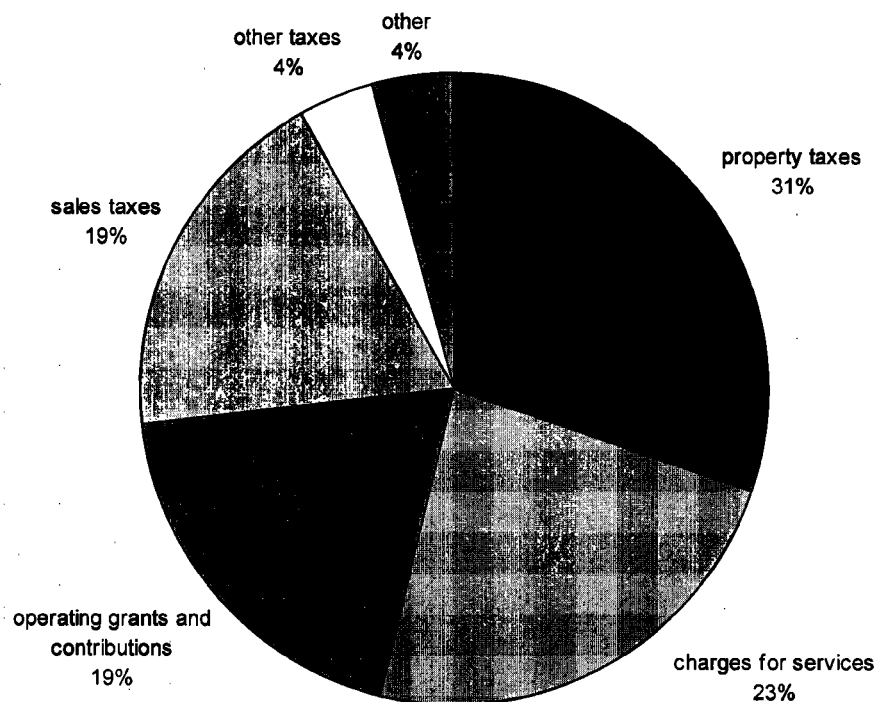
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## Expenses and Program Revenues – Governmental Activities



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## Revenues by Source – Governmental Activities



The government's net assets increased by \$12,203,963 (7 percent) during the current fiscal year. Revenues increased by \$2,338,674 (2 percent) with increases in sales tax and property tax collections accounting for the majority of the increase. Expenses decreased by \$166,157 (0.2 percent). Expenses increased in all functions with the exception of general government activities, which decreased by \$5,073,361 (18 percent) from the prior year. The functions with the highest percentage increases were interest payments on long-term liabilities (\$811,282 or 37 percent), parks and recreation (\$903,392 or 23 percent), and public safety (\$2,368,009 or 8 percent).

**Governmental activities.** As the County has no business-type activities, the increase of the County's net assets by \$12,203,963 is entirely attributed to governmental activities. Key elements of this increase are as follows:

- Earnings on investments increased by \$1,657,585 (100 percent). The increase in interest revenue is partially attributable to a higher interest rate earned on monies held in the Public Treasurers Investment Fund. The 360-day interest rate for the Public Treasurers Investment Fund as of December 2006 was 5.216 compared to the rate as of December 2005 of 4.149.
- Revenues from taxes (property and other) increased by \$4,389,011 (9 percent). Under State statutes, unless changed by the Board of County Commissioners, the County is allowed a certified tax rate equal to an amount that will generate the same taxes as collected for the prior year. Therefore, the increase in property tax collections is a result of an increase in the collection rate and/or taxes generated by new growth within the County. The sales tax collections are influenced by the economy of the County, which was very healthy during 2006.
- Expenses decreased by \$166,157. The Board of County Commissioners has kept expenses low by employing zero-based budgeting techniques that require all department heads to document specific expense requests that have no relationship to amounts spent in prior years. In addition to utilizing zero-based budgeting techniques, effective purchasing policies have helped the County keep its expenses low even while the number of County employees has increased.

**Business-type activities.** The County has no business-type activities.

### **Financial Analysis of the Government's Funds**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

- **Governmental funds.** The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financial requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$86,249,959, an increase of \$5,476,213 in comparison with the prior year. Of the total combined ending fund balances, \$80,217,982, or 93 percent, constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not

available for new spending because it has already been committed (1) to promote recreation, tourism, and conventions (\$1,030,000) and (2) to establish and maintain accurate property valuations (\$5,001,977).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the total fund balance of the general fund was \$16,460,369. At the end of the current fiscal year, the entire fund balance of the general fund was unreserved and undesignated. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Both unreserved, undesignated fund balance and total fund balance represent 30 percent of total general fund expenditures.

The total fund balance of the County's general fund increased by \$5,888,537 during the current fiscal year. The primary reason for this increase is the revenue collected from property taxes and sales taxes. These collections reflect the health economy of the County.

The capital projects plan has a total fund balance of \$25,231,474, all of which is designated for the payment of capital improvement projects. The net decrease in the fund balance for capital projects during the current year of \$4,396,331 was a result of expenses related to the expansion of the jail.

- **Proprietary funds.** Unrestricted net assets of the internal service funds at the end of the year amounted to \$9,444,579. The total reduction in net assets was \$334,694.

### **General Fund Budgetary Highlights**

During the year there was a \$9,026,486 increase in appropriations between the original and final amended budgets. The increase was mainly attributable to funding the debt service payments required for the revenue bonds issued in 2005 and 2006 for expansion of the Jail and funding the five-year capital projects plan.

The increase was possible because of additional anticipated revenues. Those revenues included an upturn in sales tax collections and an increase in the amount collected for services provided.

### **Capital Asset and Debt Administration**

**Capital assets.** The County's investment in capital assets for its governmental activities as of December 31, 2006, amounts to \$149,642,973 (net of accumulated depreciation). This investment in capital assets includes land, rights of way, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total increase in the County's investment in capital assets for the current fiscal year was 8 percent.

Major capital asset events occurring during the current fiscal year include ongoing construction to expand the Utah County Jail and the purchase of additional equipment—much of which is attributable to new and replacement vehicles for the Sheriff's Office.

### Utah County's Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
Land	\$ 22,311,461	\$ 22,311,461	\$ 0	\$ 0	\$ 22,311,461	\$ 22,311,461
Rights of way	211,740	211,740	0	0	211,740	211,740
Construction in progress	10,995,766	0	0	0	10,995,766	0
Buildings	50,661,899	51,737,861	0	0	50,661,899	51,737,861
Improvements other than buildings	5,047,627	4,116,586	0	0	5,047,627	4,116,586
Equipment	5,176,043	4,945,033	0	0	5,176,043	4,945,033
Infrastructure	55,238,437	55,238,437	0	0	55,238,437	55,238,437
<b>Total</b>	<b>\$149,642,973</b>	<b>\$138,561,118</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$149,642,973</b>	<b>\$138,561,118</b>

Additional information on the County's capital assets can be found in the footnotes to this financial report.

**Long-term debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of \$57,085,000. Of this amount, \$15,455,000 comprises debt backed by the full faith and credit of the government and \$41,630,000 is debt that is secured solely by specific revenue sources (i.e., revenue bonds).

### Utah County's Outstanding Debt General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
General obligation bonds	\$ 15,455,000	\$ 17,440,000	\$ 0	\$ 0	\$ 15,455,000	\$ 17,440,000
Revenue bonds	41,630,000	36,140,000	0	0	41,630,000	36,140,000
<b>Total</b>	<b>\$ 57,085,000</b>	<b>\$ 53,580,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 57,085,000</b>	<b>\$ 53,580,000</b>

The County's total debt increased by \$3,505,000 (7 percent) during the current fiscal year. The key factor in this increase was the issuance of \$7,615,000 in bonds to fund the expansion of the jail (in addition to the \$15,165,000 in bonds issued during 2005).

During 2004, \$2,000,000 in revenue bonds was authorized to fund a museum at the Cabela's store located in Lehi. The majority of these bonds had not been issued at the end of the current fiscal year. Accordingly, this bond is not reflected in the outstanding debt amounts.



The County maintains an "AA" rating from Standard & Poor's and an "Aa2" rating from Moody's Investors Service for general obligation debt. On its 2005-series sales tax revenue and refunding bonds, the County maintains an "AAA/AA+" rating from Standard & Poor's, an "Aaa" rating by Moody's Investors Service, and an "AAA" rating by Fitch Ratings. In 2006, the County issued \$7,615,000 in sales tax revenue bonds to provide funding for expansion of the Utah County Jail. These 2006-series bonds have been rated "AA+" by Standard & Poor's.

The State of Utah statutorily limits the amount of general obligation debt a county may issue to two percent of the fair market value of the taxable property in the county. The fair market value of the taxable property in the county is \$31 billion; therefore, the current debt limitation for the County is \$620 million, which is significantly in excess of the County's outstanding general obligation debt.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the County at the end of 2006 was 2.0 percent (not seasonally adjusted). This compares favorably to the State's unemployment rate of 2.2 percent (not seasonally adjusted) and the seasonally adjusted national unemployment rate of 4.5 percent (Source: Bureau of Labor Statistics).
- Utah County's population in 2006 was estimated at 464,760—an increase of 5 percent from the prior year (Source: Population Division, U.S. Census Bureau).
- Utah County is one of the fastest-growing counties in the State of Utah. Several of the State's fastest-growing cities are in Utah County, including Saratoga Springs, Cedar Hills, Lehi, Highland, and Pleasant Grove (Source: "Utah Facts 2006" prepared by The Utah Governor's Office of Economic Development). New growth generates additional property tax and sales tax revenue.

These factors were considered in preparing the County's budget for 2007.

During the current fiscal year, unreserved, undesignated fund balance in the general fund increased to \$16,460,369. The County has appropriated \$2,647,053 of this amount for spending in the 2007 fiscal year budget. This use of available fund balance will avoid the need to raise taxes during the 2007 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Utah County Clerk/Auditor, 100 East Center Street, Suite 3600, Provo, Utah, 84606.

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## **BASIC FINANCIAL STATEMENTS**

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**UTAH COUNTY**  
**Statement of Net Assets**  
December 31, 2006

	<b>Primary Governmental Activities</b>	<b>Component Units</b>
<b>Assets:</b>		
Cash and Investments	\$ 81,203,679	\$ 15,651,946
Receivables:		
Taxes Receivable	17,805,505	84,741
Other	6,076,512	4,534,998
Inventories	341,561	18,961
Other Current Assets	116,171	4,836,915
Bond Issuance costs, net	206,701	-
Capital Assets:		
Land	22,311,461	4,673,058
Rights of Way	211,740	427,671
Construction In Progress	10,995,766	6,157,732
Buildings	50,661,899	-
Improvements Other Than Buildings	5,047,627	-
Equipment	5,176,043	49,316,278
Infrastructure	55,238,437	-
Other Non Current Assets	-	44,679,429
<b>Total Assets</b>	<b>255,393,102</b>	<b>130,381,729</b>
<b>Liabilities:</b>		
Accounts Payable	\$ 5,069,019	\$ 2,199,017
Accrued Interest	1,229,492	197,023
Deferred Revenue	761,457	1,105,935
Other Liabilities	3,027,878	5,837,903
G.O. Bonds Payable - Due Within One Year	2,065,000	-
Revenue Bonds - Due Within One Year	2,565,000	2,561,938
Capital Leases - Due Within One Year	264,288	-
Noncurrent liabilities:		
G.O. Bonds Payable - Due More Than One Year	13,390,000	-
Revenue Bonds - Due More Than One Year	39,065,000	32,554,623
Capital Leases - Due More Than One Year	810,726	515,713
Compensated Absences	2,414,704	972,981
<b>Total Liabilities</b>	<b>70,662,564</b>	<b>45,945,133</b>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	90,253,468	24,246,653
Restricted for:		
Debt Service	13,526,432	43,995,270
Assessing and Collecting Property Tax	5,001,977	-
Transient Room Tax	1,030,000	-
Unrestricted	74,918,661	16,194,673
<b>Total Net Assets</b>	<b>\$ 184,730,538</b>	<b>\$ 84,436,596</b>

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**Statement of Activities**  
Year Ended December 31, 2006

	Net (Expense) Revenues and Changes in Net Assets						
	Primary Government				Component Units		
	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions			
Functions Primary Government	Total				Total		
			Governmental Activities				
<b>Governmental activities:</b>							
General Government	\$ 22,529,672	\$ 13,957,661	\$ 943,848	\$ -	\$ (7,628,163)	\$ (7,628,163)	\$ -
Public Safety	30,315,850	6,968,376	985,500	-	(22,361,974)	(22,361,974)	-
Public Health	23,305,395	2,651,748	14,695,968	-	(5,957,679)	(5,957,679)	-
Highways and Streets	5,133,861	-	2,621,409	-	(2,512,452)	(2,512,452)	-
Parks and Recreation	4,763,494	-	325,862	-	(4,437,632)	(4,437,632)	-
Interest on Long-term Liabilities	3,008,628	-	-	-	(3,008,628)	(3,008,628)	-
Total County	\$ 89,056,900	\$ 23,577,785	\$ 19,572,587	\$ -	(45,906,528)	(45,906,528)	-
<b>Component Units</b>							
Timpanogos Special Service District	\$ 7,237,351	\$ 7,107,835	\$ -	\$ -	\$ -	\$ -	\$ (129,516)
North Pointe Solid Waste Special Service District	6,378,218	7,316,621	-	-	-	-	938,403
North Fork Special Service District	598,187	2,012,243	-	-	-	-	1,414,056
Utah Valley Convention and Visitors Bureau	1,302,577	1,218,647	-	-	-	-	(83,930)
Wasatch Mental Health	19,401,460	19,161,541	-	-	-	-	(239,919)
	\$ 34,917,793	\$ 36,816,887	\$ -	\$ -	\$ -	\$ -	\$ 1,899,094
<b>General revenues:</b>							
Property Taxes					23,244,832	23,244,832	-
Fee in Lieu of Property Taxes					2,419,802	2,419,802	-
Assessing And Collecting					4,300,356	4,300,356	-
Sales Taxes					19,076,739	19,076,739	-
Penalties and Interest					816,545	816,545	-
Restaurant Tax					2,961,925	2,961,925	-
Transient Room Tax					1,191,312	1,191,312	-
Earnings on Investments					3,307,149	3,307,149	-
Impact Fees							2,871,369
Miscellaneous					791,831	791,831	11,635,177
Total general revenues					58,110,491	58,110,491	14,506,546
Change in net assets					12,203,963	12,203,963	16,405,640
Net assets - beginning					172,526,575	172,526,575	68,030,956
Net assets - ending					\$ 184,730,538	\$ 184,730,538	\$ 84,436,596

**UTAH COUNTY**  
**Balance Sheet**  
**Governmental Funds**  
December 31, 2006

	Major Funds				Other Governmental Funds	Total Governmental Funds
	General	Health Fund	Substance Abuse	Capital Projects		
<b>Assets:</b>						
Cash and investments	\$ 5,311,922	\$ 9,642,142	\$ 335	\$ 26,034,185	\$ 30,854,278	\$ 71,842,862
Receivables:						
Taxes	14,010,952	-	-	-	3,794,553	17,805,505
Other receivables	1,902,220	755,150	1,786,123	-	601,782	5,045,275
Inventories	-	153,873	-	-	-	153,873
Due From Other Funds	520,500	-	-	-	-	520,500
Other Assets	102,741	9,940	3,490	-	-	116,171
Total assets	<u>\$ 21,848,335</u>	<u>\$ 10,561,105</u>	<u>\$ 1,789,948</u>	<u>\$ 26,034,185</u>	<u>\$ 35,250,613</u>	<u>\$ 95,484,186</u>
<b>Liabilities and fund balances:</b>						
<b>Liabilities:</b>						
Accounts payable and Accruals	\$ 2,784,164	\$ 424,546	\$ 677,418	\$ 802,711	\$ 1,254,224	\$ 5,943,063
Due to other funds	-	-	455,050	-	65,450	520,500
Deferred revenue	594,595	166,862	-	-	-	761,457
Other Liabilities	2,009,207	-	-	-	-	2,009,207
Total liabilities	<u>5,387,966</u>	<u>591,408</u>	<u>1,132,468</u>	<u>802,711</u>	<u>1,319,674</u>	<u>9,234,227</u>
<b>Fund Balances:</b>						
Reserved for:						
Transient Room Tax	-	-	-	-	1,030,000	1,030,000
Assessing and Collecting Taxes	-	-	-	-	5,001,977	5,001,977
Unreserved:						
Undesignated, reported in:						
General fund	16,460,369	-	-	-	-	16,460,369
Debt service fund	-	-	-	-	13,767,953	13,767,953
Capital projects fund	-	-	-	25,231,474	-	25,231,474
Special revenue funds	-	9,969,697	657,480	-	14,131,009	24,758,186
Total fund balances	<u>16,460,369</u>	<u>9,969,697</u>	<u>657,480</u>	<u>25,231,474</u>	<u>33,930,939</u>	<u>86,249,959</u>
Total liabilities and fund balances	<u>\$ 21,848,335</u>	<u>\$ 10,561,105</u>	<u>\$ 1,789,948</u>	<u>\$ 26,034,185</u>	<u>\$ 35,250,613</u>	<u>\$ 95,484,186</u>

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Assets**  
**December 31, 2006**

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<b>Total fund balances for governmental funds</b>	<b>\$ 86,249,959</b>
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Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 22,311,461	
Construction in progress	10,995,766	
Rights of Way	211,740	
Buildings net of accumulated depreciation of \$10,598,643	50,661,899	
Improvements other than buildings net of acc dep. \$1,454,117	5,047,627	
Equipment net of accumulated depreciation of \$10,289,463	5,176,043	
Infrastructure	55,238,437	149,642,973

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(1,229,492)
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Unamortized bond issuance costs are reported as expenditures in the governmental funds.	206,701
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Unamortized bond premiums originally shown as revenue in the governmental funds.	(1,018,671)
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Internal service funds are used by management to provide a method of charging individual funds and departments for use of facilities, communication systems, fleet, information systems support, and other services. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund unrestricted net assets at year-end are:	9,444,579
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets. Balances at year-end are:

General obligation bonds	(15,455,000)	
Revenue bonds	(41,630,000)	
Obligations under capital leases	(1,075,014)	
Compensated absences	(405,497)	(58,565,511)
<b>Total net assets of governmental activities</b>		<b>\$ 184,730,538</b>

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
Year Ended December 31, 2006

	Major Funds				Other Governmental Funds	Total Governmental Funds
	General	Health Fund	Substance Abuse	Capital Projects		
<b>Revenues:</b>						
Taxes	\$ 44,255,491	\$ -	\$ -	\$ -	\$ 9,756,020	\$ 54,011,511
Licenses and Permits	101,220	-	-	-	-	101,220
Intergovernmental	4,580,180	10,544,042	5,110,150	-	3,469,000	23,703,372
Charges for Service	10,531,289	4,188,759	-	-	2,019,951	16,739,999
Fines and Forfeitures	2,605,781	-	-	-	-	2,605,781
Interest	1,266,570	468,776	-	1,308,518	263,285	3,307,149
Miscellaneous	199,116	-	-	69,490	523,225	791,831
Total revenues	63,539,647	15,201,577	5,110,150	1,378,008	16,031,481	101,260,863
<b>Expenditures:</b>						
Current:						
General Government	19,047,074	-	-	11,653,159	6,245,339	36,945,572
Public Safety	29,097,267	-	-	-	575,211	29,672,478
Public Health	10,160	17,384,377	5,579,977	-	-	22,974,514
Highways and Public Improv.	4,996,683	-	-	-	-	4,996,683
Parks and Recreation	2,321,007	-	-	-	2,159,546	4,480,553
Debt service:						
Principal retirement	-	-	-	-	4,372,459	4,372,459
Interest and fiscal charges	-	-	-	-	2,556,921	2,556,921
Total expenditures	55,472,191	17,384,377	5,579,977	11,653,159	15,909,476	105,999,180
Excess (deficiency) of revenues over (under) expenditures	8,067,456	(2,182,800)	(469,827)	(10,275,151)	122,005	(4,738,317)
<b>Other financing sources (uses):</b>						
Transfers In	5,051,224	2,400,000	236,632	457,197	10,009,527	18,154,580
Transfers Out	(7,230,143)	-	(170,566)	(2,315,778)	(5,960,964)	(15,677,451)
Issuance of Bonds	-	-	-	7,737,401	-	7,737,401
Issuance of Refunding Bonds	-	-	-	-	-	-
Payments to Refunding Escrow	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total other financing sources (uses)	(2,178,919)	2,400,000	66,066	5,878,820	4,048,563	10,214,530
Net change in fund balances	5,888,537	217,200	(403,761)	(4,396,331)	4,170,568	5,476,213
Fund balances - beginning	10,571,832	9,752,497	1,061,241	29,627,805	29,760,371	80,773,746
Fund balances - ending	\$ 16,460,369	\$ 9,969,697	\$ 657,480	\$ 25,231,474	\$ 33,930,939	\$ 86,249,959

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
**Year Ended December 31, 2006**

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<b>Net change in fund balances for governmental funds</b>	<b>\$ 5,476,213</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for furniture and equipment, buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 13,001,627	
Depreciation expense	<u>(1,685,791)</u>	11,315,836

The net effect of various miscellaneous transactions involving capital assets (i.e. trade ins, disposals, or annexations).

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Repayment of bond principal	4,110,000	
Issuance of long term debt	(7,615,000)	
Bond premiums	32,386	
Increases in compensated absences	(256,309)	
Interest expense - general obligation bonds	<u>(524,469)</u>	(4,253,392)

Internal service funds are used by management to charge the costs of information systems, fleet, building maintenance, communications, and other services to individual funds.	(334,694)
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<b>Change in net assets of governmental activities</b>	<b><u>\$ 12,203,963</u></b>
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The notes to the financial statements are an integral part of this statement.



**UTAH COUNTY**  
**Statements of Net Assets**  
**Proprietary Funds**  
December 31, 2006

	<b>Governmental Activities -- Internal Service Funds</b>
<b>Assets:</b>	
Current assets:	
Cash and Investments	\$ 9,360,817
Accounts Receivable	1,031,237
Inventory	<u>187,688</u>
Total Current Assets	<u>10,579,742</u>
Non Current Assets	
Capital Assets	
Equipment, Vehicles, Furniture, Other	13,776,306
Less Accumulated Depreciation	<u>(9,172,428)</u>
Total Non Current Assets	<u>4,603,878</u>
Total Assets	<u>15,183,620</u>
<b>Liabilities:</b>	
Current Liabilities	
Accounts payable	<u>1,135,163</u>
Total liabilities	<u>1,135,163</u>
<b>Net assets:</b>	
Invested In Capital Assets	4,603,878
Unrestricted	<u>9,444,579</u>
Total net assets	<u>\$ 14,048,457</u>

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
Year Ended December 31, 2006

	<u>Governmental Activities -- Internal Service Funds</u>
<b>Operating revenues:</b>	
Charges For Services	\$ 15,166,277
<b>Operating expenses:</b>	
Salaries, Wages, Benefits	4,255,846
Supplies, Materials, Services	7,823,846
Depreciation	1,413,435
Total operating expenses	13,493,127
Operating income (loss)	1,673,150
<b>Nonoperating income:</b>	
Sale Capital Assets	7,641
Earnings on Investments	461,644
Total Non Operating Income	469,285
<b>Other Financing Sources and (Uses):</b>	
Transfers In	272,746
Transfers (Out)	(2,749,875)
Total Other Financing Sources and (Uses)	(2,477,129)
Change in net assets	(334,694)
<b>Total net assets - beginning</b>	14,383,151
<b>Total net assets - ending</b>	<u>\$ 14,048,457</u>

The notes to the financial statements are an integral part of these statements.

**UTAH COUNTY**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended December 31, 2006**

	<b>Governmental Activities -- Internal Service Funds</b>
<b>Cash flows from operating activities:</b>	
Receipts From Interfund Services Provided	\$ 14,628,287
Payments For Salaries, Wages, Benefits	(4,255,846)
Payments For Supplies, Materials, Services	(7,098,700)
Net cash provided by operating activities	<u>3,273,741</u>
<b>Cash flows from noncapital financing activities:</b>	
Operating Transfers	<u>(2,200,366)</u>
<b>Cash flows from capital and related financing activities:</b>	
Purchase of Capital Assets	(2,100,931)
Receipts From Sale of Capital Assets	7,641
Net cash provided by capital and related financing activities	<u>(2,093,290)</u>
<b>Cash flows from investing activities:</b>	
Interest received	<u>460,877</u>
Net increase in cash and cash equivalents	(559,038)
<b>Cash and cash equivalents - beginning</b>	<u>9,919,855</u>
<b>Cash and cash equivalents - ending</b>	<u><u>\$ 9,360,817</u></u>
Displayed on statements of fund net assets as:	
Cash and Investments	<u><u>\$ 9,360,817</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>	
Operating income (loss)	\$ 1,673,150
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	1,413,435
(Increase) decrease in accounts receivable	(537,990)
Increase (decrease) in accounts payable	725,146
Total adjustments	<u>1,600,591</u>
Net cash provided by operating activities	<u><u>\$ 3,273,741</u></u>
<b>Noncash investing, capital, and financing activities:</b>	none

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**Statement of Fiduciary Net Assets**  
**Agency Funds**  
**December 31, 2006**

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	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and investments	\$ 107,117,876
Taxes Receivable	1,343,982
Accounts Receivable	35,418
Other Assets	<u>-</u>
Total assets	<u>\$ 108,497,276</u>
<b>Liabilities:</b>	
Due to other taxing units or entities	\$ 108,151,515
Other payables	<u>345,761</u>
Total liabilities	<u>\$ 108,497,276</u>

The notes to the financial statements are an integral part of this statement.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of Utah County have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

The accompanying basic financial statements present the financial position of various fund types and account groups and the results of operations of the various fund types. The basic financial statements are presented for the year ended December 31, 2006.

**A. Reporting Entity**

For financial reporting purposes, Utah County has included all funds and account groups. The County has also considered all potential component units for which it is financially accountable and that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include (1) appointing a voting majority of an organization's governing body and (2) the ability of the County to impose its will on that organization or (3) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County.

As required by generally accepted accounting principles, these financial statements present Utah County (the primary government) and its component units. The component units are included in the County's reporting entity because of the significance of their operational or financial relationships with the County. Complete financial statements of the individual component units, that issued separate financial statements, can be obtained from the Utah County Auditor's office.

**Discretely Presented Component Units**

The component units columns in the combined financial statements include the financial data of the County's other component units. They are reported in a separate column to emphasize that they are legally separate from the County. The criteria for including the component units in the combined financial statement includes: selection of the governing board; designation of management; the ability of the County to significantly influence; and financial interdependency. Based on the above criteria, the following is a brief review of the entities that are included in the accompanying financial statements:

**Timpanogos Special Service District** - provides sewage treatment and disposal services for the cities and towns of Lehi, American Fork, Alpine, Pleasant Grove, Highland, Cedar Hills, Eagle Mountain and Saratoga Springs.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

**North Pointe Solid Waste Special Service District** - operates a transfer station for the municipalities of northern Utah County, and unincorporated areas of Utah County.

**Wasatch Mental Health** - provides mental health services for the residents of Utah and Wasatch Counties.

**North Fork Special Service District** - provides water service and fire protection to the north fork of Provo Canyon including the Sundance area.

**Utah Valley Convention and Visitors Bureau** - provides tourism promotion in Utah County and operates the Utah Valley Visitor Information Center.

**Administrative Offices:**

Utah Valley Convention & Visitors Bureau  
Provo, Utah 84601  
Fiscal Year Ending 12/31/06

Timpanogos Special Service District  
5050 West 6400 North  
American Fork, Utah 84003  
Fiscal Year Ending 12/31/06

North Pointe Solid Waste Special Service District  
2006 West 200 South  
Lindon, Utah 84042  
Fiscal Year Ending 12/31/06

Wasatch Mental Health  
750 North 200 West  
Provo, Utah 84601  
Fiscal Year Ending 6/30/06

North Fork Special Service District  
Sundance, Utah 84604  
Fiscal Year Ending 12/31/06

**Independent Auditor:**

Squire & Co.  
1329 South 800 East  
Orem, UT 84058  
Report Dated March 2, 2007

Squire & Co.  
1329 South 800 East  
Orem, UT 84058  
Report dated June 1, 2007

Squire & Co.  
1329 South 800 East  
Orem, UT 84058  
Report dated March 7, 2007

Hawkins, Cloward & Simister  
1005 South 800 East  
Orem, UT 84058  
Report dated November 29, 2006

Gilbert & Stewart, CPA's  
190 West 800 North #100  
Provo, UT 84601  
Report Dated June 15, 2007

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

**Related Organizations**

The County officials have oversight responsibilities for other organizations that do not meet the criteria to be included as component units. These organizations include North Utah County Water Conservancy District, Mountainland Association of Governments, and Housing Authority of Utah County.

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**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

*NOTE 1 (Continued)*

**CONDENSED FINANCIAL STATEMENTS -  
DISCRETELY PRESENTED COMPONENT UNITS  
STATEMENT OF NET ASSETS**

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
<b><u>ASSETS</u></b>						
Current Assets	\$7,101,030	\$2,379,565	\$1,615,602	\$124,970	\$13,906,394	\$25,127,561
Capital Assets (Net)	48,865,563	3,428,094	2,409,219	48,518	5,823,345	60,574,739
Other Assets	43,989,470	0	56,693	166,290	466,976	44,679,429
Total Assets	<u>99,956,063</u>	<u>5,807,659</u>	<u>4,081,514</u>	<u>339,778</u>	<u>20,196,715</u>	<u>130,381,729</u>
<b><u>LIABILITIES</u></b>						
Current Liabilities	3,519,576	511,771	360,797	27,806	7,481,866	11,901,816
Long-Term debt	32,432,708	212,271	425,357	0	972,981	34,043,317
Total Liabilities	<u>35,952,284</u>	<u>724,042</u>	<u>786,154</u>	<u>27,806</u>	<u>8,454,847</u>	<u>45,945,133</u>
<b><u>NET ASSETS</u></b>						
Net Assets	64,003,779	5,083,617	3,295,360	311,972	11,741,868	84,436,596
Net Assets	<u>\$64,003,779</u>	<u>\$5,083,617</u>	<u>\$3,295,360</u>	<u>\$311,972</u>	<u>\$11,741,868</u>	<u>\$84,436,596</u>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

Operating Revenue	\$7,107,835	\$7,047,246	\$485,938	\$1,195,609	\$19,084,318	\$34,920,946
Operating Expense						
Depreciation	1,562,587	266,116	94,999	7,967	475,867	2,407,536
Other	3,951,431	5,965,881	493,034	1,294,610	18,925,593	30,630,549
Operating Income (Loss)	<u>1,593,817</u>	<u>815,249</u>	<u>(102,095)</u>	<u>(106,968)</u>	<u>(317,142)</u>	<u>1,882,861</u>
Other Non-Operating Revenue (Expense)	<u>12,248,957</u>	<u>252,312</u>	<u>1,529,586</u>	<u>23,038</u>	<u>468,886</u>	<u>14,522,779</u>
Net Income	13,842,774	1,067,561	1,427,491	(83,930)	151,744	16,405,640
Net Assets - Beginning	<u>50,161,005</u>	<u>4,016,056</u>	<u>1,867,869</u>	<u>395,902</u>	<u>11,590,124</u>	<u>68,030,956</u>
Net Assets - Ending	<u>\$64,003,779</u>	<u>\$5,083,617</u>	<u>\$3,295,360</u>	<u>\$311,972</u>	<u>\$11,741,868</u>	<u>\$84,436,596</u>



**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., statement of net assets and statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provided have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, Utah County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

*The General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*The Substance Abuse Special Revenue Fund* accounts for activities associated with the operation of the Substance Abuse Department of the County.

*The Health Special Revenue Fund* accounts for activity associated with the operation of the Utah County Health Department.

*The Capital Projects Fund* accounts for activity related to major capital improvements.

The County also reports the following nonmajor funds:

*Community Development (planning), Soldier Summit District, Utah County Tourism Tax, Senior Services, Municipal Building Authority, Service Area #6, Service Area #7, Service Area #8, Service Area #9, Mineral Lease Revenue, 911 Emergency, Recreation and Culture, Wildland Fire, Children's Justice, County Dispatch, Animal Shelter, and Debt Service Fund, Assessing and Collecting Fund.*

The County government includes internal service funds. All internal service funds assets and liabilities and net assets have been consolidated into the government-wide financial statements. Internal service funds of the County include:

*Motor Pool, Jail Food Service, Building Maintenance, Radio Communications, Telephone and Information Systems.*

Additionally the County reports the following fiduciary fund types:

*The Treasurer's Tax Collection Agency Fund* is used to account for taxes collected by the County Treasurer but not paid as of December 31<sup>st</sup> to the taxing entities within the County.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

*The Auditor's Trust Fund* includes money collected but not yet paid to various other units as of December 31<sup>st</sup>.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities and Equity**

***Deposits and Investments:***

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool.

Investments for the government, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

***Capital Assets:***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 Years
Improvements Other Than Buildings	20 Years
Equipment	5-10 Years

The County has adopted an allowable alternative to reporting depreciation for its roads network. Under this alternative method, referred to as the "modified approach," the County must maintain an asset management system and demonstrate that its roads are being preserved at or above condition levels established by County policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

***Inventory:***

Inventory is valued at the lower of cost (first-in, first-out) or market. Food commodity and vaccine inventory is valued at fair market value.

***Compensated Absences:***

At December 31, 2006, the County was liable for vacation pay and compensatory time. The liability was computed according to the personnel policy and amounted to \$2,414,704.

***Long-Term Obligations:***

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets.

In the fund financial statement, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, if any, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***Fund Equity:***

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designation of fund balance represent tentative management plans that are subject to change.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

**E. Budgets and Budgetary Accounting**

The governing body of the entity shall establish the time and place of the public hearing to consider the adoption of the budget and shall publish notice of the hearing at least seven days prior to the hearing in at least one issue of the newspaper of general circulation published within the County in which the entity is located. If no such newspaper is published, the required notice may be posted in three public places within the entity's jurisdiction. The tentative budget must be made available to the public for inspection for a number of days, as provided by law, prior to the budget hearing.

1. On or before the first regularly scheduled meeting of the County Commission in the month of November, the County Auditor prepares a tentative budget for the next budget year.
2. After a public notice has been published, a public hearing is then held on the adoption of the budget.
3. After the public hearing, the County Commission makes final adjustments to the tentative budget.
4. On or before December 15, the County Commission adopts the budget by resolution or ordinance and sets the tax rate for taxes.
5. The budget officer may transfer unexpended budgeted amounts within departments.
6. The County Commission may transfer unexpended budgeted amounts from one department in a fund to another department in the same fund by resolution.
7. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and followed by resolution of the County Commission.
8. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The appropriated budget is prepared by fund, function and department. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council. The legal level of budgetary control is the department level.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 (Continued)**

The Fiscal Procedures Act for Utah Counties requires Counties to restrict expenditures to authorized department budgets. The combined statement of revenues, expenditures and changes in fund balance – budget and actual identifies the departments and funds which have over expended budgeted amounts if any, and therefore, do not comply with appropriate fiscal procedures.

**G. Property Tax Calendar**

- |             |  |
|-------------|--|
| January 1   | Lien Date – All property appraised based upon situs and status as of this date (real and personal).  |
| March 1     | Calendar year taxing entities must inform the County of the date, time and place of the budget hearing for the next fiscal year for inclusion with tax notice.   |
| June 22     | All taxing entities to adopt tentative budgets and proposed tax rates and report them to the county auditor.   |
| July 22     | County auditor to prepare and mail Notice of Valuation and Tax Changes to all real property owners, including centrally assessed property owners or in the event that Notices of Valuation and Tax changes are not required, the County auditor is to compute taxes and the County treasurer is to mail tax notices. |
| September 1 | State Tax Commission approves tax rates.   |
| November 1  | County auditor is to deliver the equalized assessment roll to the County treasurer with affidavit.   |
| November 1  | County auditor to charge the County treasurer to account for all taxes levied.   |
| November 1  | County treasurer to mail tax notices. Tax notices for calendar year entities include notice of budget hearings.  |
| November 30 | Taxes on real property become delinquent.  |

**H. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 2 – DEPOSITS AND INVESTMENTS**

The County follows the requirements of the Utah Money Management Act (Utah Code Annotated 1953, Title 51, Chapter 7) in handling its depository and temporary investment transactions. This law requires the depositing of County funds in a “qualified depository” defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. Each calendar quarter, the Council provides a list of qualified depositories to each public treasurer; the Council establishes the maximum amount of public funds that each qualified depository is eligible to hold.

The Act authorizes the County to invest in certificates of deposit, U.S. Treasury obligations, U.S. agency issues, high-trade commercial paper, banker’s acceptances, repurchase agreements, certain corporate bonds, State of Utah and local government obligations, and restricted mutual funds as defined by the Act and to invest in the Utah Public Treasurers’ Investment Fund (PTIF). The PTIF is not registered with the Securities and Exchange Commission as an investment company and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The operating income, gains, and losses of the PTIF are allocated to each participant based upon each participant’s average daily balance.

Deposits – The County’s carrying amount of bank deposits at December 31, 2006, is \$5,036,969 and the bank balance is \$6,640,447 (\$200,000 of which is covered by Federal depository insurance.) Uninsured deposits are not collateralized.

Investments – At December 31, 2006, the County had a balance of \$183,284,586 in the PTIF. The investment is unrated and has an average maturity of less than one year.

*Credit Risk* – Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The County’s policy for limiting the credit risk of investments is to comply with the Utah Money Management Act.

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County manages its exposure to declines in fair value by investing mainly in the PTIF and by adhering to the Utah Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 2 (Continued)**

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy is to follow the Utah Money Management Act and to invest mainly in the PTIF. The County's investment policy does not limit the amount that can be held by counterparties.

At December 31, 2006, the County's investment balances were as follows (each investment is recorded at fair value:)

Investment in Utah Public Treasurer's Investment	
Fund not subject to categorization	<u>\$183,284,586</u>

Total deposits and investments as described above as of December 31, 2006 are as follows:

Carrying amount of deposits	\$ 5,036,969
Carrying amount of investments	<u>183,284,586</u>
Total cash and investments	<u>\$188,321,555</u>

**NOTE 3 - INTERFUND LOANS, BALANCES, AND TRANSFERS**

At December 31, 2006, the County had the following interfund balances:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$520,500	
Human Services		\$455,050
Child Justice		<u>65,450</u>
	<u>\$520,500</u>	<u>\$520,500</u>

The government-wide statement of activities eliminates transfers as reported within the segregated governmental activities columns.



**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

The following schedule reports transfers and payments within the reporting entity:

	Transfers To					
	Governmental Activities:					
Transfers From:	General	Health	Capital	Other	Internal	
Governmental Activities:	Fund	Fund	Projects	Governmental	Service	Totals
Major Governmental Funds:			Fund	Funds	Funds	
General	\$ -	\$ 2,400,000	\$ -	\$ 4,557,297	\$ 272,746	\$ 7,230,043
Other Governmental Funds	5,051,224	-	457,197	5,688,861	-	11,197,282
	<u>\$ 5,051,224</u>	<u>\$ 2,400,000</u>	<u>\$ 457,197</u>	<u>\$ 10,246,158</u>	<u>\$ 272,746</u>	<u>\$ 18,427,325</u>

**NOTE 4 – PROPERTY TAXES**

The County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including cities, school districts, and special districts, in accordance with State law. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is considered necessary. Property taxes becomes a lien against the property as of January 1 in the year in which due and are assessed in July through billing to the property owner. Payments are due in one installment on November 30. Tax collections are recorded as funds held in trust until disbursement.

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2006 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Primary Government</b>				
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 22,311,461	\$ -	\$ -	\$ 22,311,461
Rights of Way	211,740	-	-	211,740
Construction in progress	-	10,995,766	-	10,995,766
Infrastructure	55,238,437	-	-	55,238,437
Total capital assets, not being depreciated	<u>77,761,638</u>	<u>10,995,766</u>	<u>-</u>	<u>88,757,404</u>
Capital assets, being depreciated:				
Buildings	62,336,504	-	-	62,336,504
Improvements other than buildings	5,570,703	1,234,123	-	6,804,826
Machinery and equipment	15,234,496	1,188,568	-	16,423,064
Total capital assets, being depreciated	<u>83,141,703</u>	<u>2,422,691</u>	<u>-</u>	<u>85,564,394</u>

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 5 (Continued)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Buildings	10,598,643	1,075,962	-	11,674,605
Improvements other than buildings	1,454,117	303,082		1,757,199
Machinery and equipment	10,289,463	957,558	-	11,247,021
Total accumulated depreciation	22,342,223	2,336,602	-	24,678,825
Total capital assets, being depreciated, net	60,799,480	86,089	-	60,885,569
Governmental activities capital assets, net	<u>\$ 138,561,118</u>	<u>\$ 11,081,855</u>	<u>\$ -</u>	<u>\$ 149,642,973</u>

**Governmental activities:**

General Government	\$ 471,046
Public Health	265,556
Public Safety	598,546
Highways and public improvements	71,852
Parks and recreation	278,791
Internal Service Funds (charged to individual funds based on usage)	650,811
Total depreciation expense, governmental activities	<u>\$ 2,336,602</u>
 Total depreciation expense	 <u>\$ 2,336,602</u>

**NOTE 6 - LONG-TERM OBLIGATIONS**

**Bonds**

During 1986, the Municipal Building Authority of Utah County, Utah issued Lease Revenue Bonds for the purpose of constructing an office complex and parking area for use by the State of Utah and Utah County. The 1986 Series A Bonds are not general obligations but are special limited obligations of the Authority. The 1986 Series A Bonds and the interest thereon are payable solely from, and are secured by a pledge of, the Base Rentals, and the Purchase Option Price, if paid by the County, and certain other amounts derived by the Authority under the Lease with respect to the County Complex, the proceeds of certain insurance policies, performance bonds, condemnation awards and liquidation proceeds, if any, and the proceeds, if any, of the Bond Insurance Policy.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 6 (Continued)**

During 2001 the County issued General Obligation Refunding Bonds Series 2001 to defease portions of the outstanding 1993 Series A Refunding Bonds. Maturities for the 2001 Refunding Bonds are as follows:

*2001 Refunding Bonds*

<u>Due Date</u>		<u>Principal</u>	<u>Interest Rate</u>
February 15	2007	\$ 1,335,000	4.0%
	2008	1,390,000	4.05
	2009	1,445,000	4.15
	2010	1,510,000	4.25
	2011	1,575,000	4.35
	2012	1,645,000	4.5
	2013	<u>1,725,000</u>	4.6
		<u>\$10,625,000</u>	

During 2002 the County issued General Obligation Refunding Bonds Series 2002 to defease portions of the 1993 Series B General Obligation Refunding Bonds. Maturity for the 2002 refunding bonds are as follows:

*2002 Refunding Bonds.*

<u>Due Date</u>		<u>Principal</u>	<u>Interest Rate</u>
February 15	2007	\$ 730,000	3.5%
	2008	750,000	3.75
	2009	785,000	4.00
	2010	815,000	4.50
	2011	850,000	4.25
	2012	<u>900,000</u>	4.5
		<u>\$ 4,830,000</u>	

During 2006, the County issued \$36,140,000 Sales Tax Revenue and Refunding Bonds. Of the bonds, \$20,975,000 was issued to defease the outstanding Municipal Building Authority Lease Revenue Bonds. Of the bonds, \$15,165,000 was issued to fund expansion and renovation of the County Jail. Maturity of the 2006 Sales Tax and Refunding Bonds is as follows:

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 6 (Continued)**

**2006 Sales Tax and Refunding Bonds**

<u>Due Date</u>		<u>Principal</u>	<u>Interest Rate</u>
November 15	2007	\$ 2,215,000	4.00%
	2008	2,305,000	3.25
	2009	2,375,000	3.735
	2010	2,470,000	3.940
	2011	2,560,000	4.238
	2012	2,690,000	5.000
	2013	2,805,000	5.000
	2014	2,945,000	5.000
	2015	3,090,000	4.838
	2016	3,235,000	5.00
	2017	3,395,000	5.00
	2018	1,255,000	4.25
	2019	1,305,000	5.00
	2020	1,370,000	5.00
		<u>\$34,015,000</u>	

During 2006 the County issued \$7,615,000 Series 2006 Sales Tax Revenue Bonds for use in remodel on upgrade of the County Security Center. Maturity of the Series 2006 Sales Tax Revenue Bonds is as follows:

**2006 Sales Tax and Refunding Bonds**

<u>Due Date</u>		<u>Principal</u>	<u>Interest Rate</u>
November 1	2007	\$ 750,000	4.50%
	2008	375,000	4.50
	2009	400,000	4.25
	2010	415,000	4.25
	2011	400,000	4.25
	2012	450,000	4.25
	2013	475,000	5.00
	2014	500,000	5.00
	2015	525,000	5.00
	2016	550,000	5.00
	2017	575,000	4.125
	2018	600,000	4.2
	2019	625,000	4.2
	2020	650,000	4.25
	2021	675,000	4.25
		<u>\$7,615,000</u>	

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 6 (Continued)**

**Lease Obligations**

During a prior year the County entered into an agreement with Provo City Municipal Building Authority to provide annual sublease payments to the Provo City Municipal Building Authority in conjunction with construction and debt service of the Ice Sheet Arena Project. After the debt is retired, the Provo City Municipal Building Authority will transfer title of the Ice Sheet Arena to an Ice Sheet Authority of which Utah County is a 50 percent participant. Required lease payments to the Provo Municipal Building Authority is as follows:

<u>Year</u>	<u>Payment</u>
2007	\$ 264,288
2008	261,473
2009	261,623
2010	260,608
2011	27,022
Lease Obligation	<u>\$1,075,014</u>

A summary of the changes in the long-term debt is as follows:

	<u>Balance</u> <u>1/01/06</u>	<u>Additions</u>	<u>Deduction</u>	<u>Balance</u> <u>12/31/06</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Sales Tax Revenue Bonds	\$36,140,000	\$ 7,615,000	\$2,125,000	\$41,630,000	\$2,565,000
General Obligation Bonds	17,440,000	-	1,985,000	15,455,000	2,065,000
Lease Obligation	1,337,473	-	262,459	1,075,014	264,288
Compensated Absences	2,220,076	194,628		2,414,704	-
Total	<u>\$57,137,549</u>	<u>\$ 7,809,628</u>	<u>\$ 4,372,459</u>	<u>\$60,574,718</u>	<u>\$4,894,288</u>

During the 2004 year, the County issued authorized \$2,000,000 in revenue bonds to fund certain improvements related to construction of a Cabela's store being built in Lehi. \$50,000 of the bonds have been issued in conjunction with certain costs of issuance.

The debt service requirements of the General Obligation and Revenue Bonds for the next five years and to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 4,630,000	\$ 2,502,982	\$ 7,132,982
2008	4,820,000	2,315,509	7,135,509
2009	5,005,000	2,134,889	7,139,889
2010	5,210,000	1,933,081	7,143,081
2011	5,435,000	1,715,390	7,150,390
2012	5,685,000	1,478,995	7,163,995
2013	5,005,000	1,229,245	6,234,245

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 6 (Continued)**

2014	3,445,000	1,026,570	4,471,570
2015	3,615,000	853,320	4,468,320
2016	3,785,000	677,570	4,462,570
2017	3,970,000	488,320	4,458,320
2018	1,855,000	294,850	2,149,850
2019	1,930,000	216,312	2,146,312
2020	2,020,000	154,812	2,174,812
2021	675,000	28,688	703,688
Total	<u>\$57,085,000</u>	<u>\$17,050,5330</u>	<u>\$74,135,533</u>

**Advance Refunding**

On August 4, 2006, \$20,975,000 in sales tax revenue bonds with an average interest rate of 4.88 percent were issued to advance refund \$20,670,000 of outstanding lease revenue bonds with an average interest rate of 4.97 percent. The net proceeds of \$23,614,836 (after payment of \$256,700 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 12 years by \$479,811 resulting in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$367,596.

**Compensated Absences**

Employees are granted vacation and sick leave in amounts varying with tenure. An employee may accrue up to 240 hours of vacation and unlimited amounts of sick leave. Sick leave may be converted to vacation under certain options available under the plan. As of December 31, 2006, accrued compensated absences amounted to \$2,414,704.

**NOTE 7 - CONTINGENT LIABILITIES - LITIGATION**

Utah County has been named as a defendant in various actions. Many of these appear to be without merit; however, the outcome and amount of claims is unknown at this time.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 8 - RETIREMENT PLANS**

**State Retirement System**

**Plan Description.** Utah County contributes to the Local Governmental Contributory Retirement System and Local Governmental Noncontributory Retirement System, and Public Safety Retirement System for employers without Social Security coverage, cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provides refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, Public Safety Retirement System for employers without Social Security coverage. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

**Funding Policy.** For the six months ended June 30, 2006, plan members in the Local Governmental Contributory Retirement System are required to contribute 6.00% of their annual covered salary (all or part may be paid by the employer for the employee) and Utah County is required to contribute 7.08% of their annual covered salary. In the Local Governmental Noncontributory Retirement System Utah County is required to contribute 11.09% of their annual covered salary. In the Public Safety Retirement System for employers without Social Security coverage contributory division members are required to contribute 10.50% of their salary (all or part may be paid by the employer for the employee) and Utah County is required to contribute 12.47% of their annual salary and 22.32% of their annual covered salary for members in the noncontributory division. The contribution rates are the actuarially determined rates.

For the six months ended December 31, 2006, plan members in the Local Governmental Contributory Retirement System are required to contribute 6.00% of their annual covered salary (all or part may be paid by the employer for the employee) and Utah County is required to contribute 7.58% of their annual covered salary. In the Local Governmental Noncontributory Retirement System Utah County is required to contribute 11.49% of their annual covered salary. In the Public Safety Retirement System for employers without Social Security coverage contributory division members are required to contribute 10.50% of their salary (all or part may be paid by the employer for the employee) and Utah County is required to contribute 15.69% of their annual salary and 25.49% of their annual covered salary for members in the noncontributory division. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 8 – (Continued)**

Utah County contributions to the Local Governmental Contributory Retirement System for the years ending December 31, 2006, 2005 and 2004 were \$127,049, \$119,700 and \$120,459 respectively and for the Noncontributory Retirement System the contributions for December 31, 2006, 2005 and 2004 were \$2,339,351, \$2,063,306 and \$1,898,430 respectively and for the Public Safety Retirement System the contributions for December 31, 2006, 2005, and 2004 were \$2,194,868, \$1,822,511 and \$1,584,450 respectively. The contributions were equal to the required contributions for each year.

Utah County does not participate in the 401(K) plan offered by this system.

Utah County participates in a 457 Deferred Compensation Plan administered by the Utah State Retirement System. The Utah Retirement Systems have adopted Governmental Accounting Standards Board Statement 32 (GASB No. 32), *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This resulted in reporting the 457 Plans as a "Trust Fund" rather than previously as an "Agency Fund". Now all of the assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries rather than the assets of the employer. Plan assets are no longer included in the County's financial statements.

**Money Purchase Pension Plan**

The employees of Utah County are also covered by a Money Purchase Pension Plan administered by Mutual Benefit Life Insurance Company and Prudential Asset Management Company.

All employees of Utah County are eligible to participate except Police Officers. Utah County contributes for each participant who is exempt from the Utah State Retirement Plan 15.15% of such participant compensation. Utah County also contributes 6.25% of compensation for each other participant's compensation. The contribution for 2006 was \$2,001,650. The amount of the covered payroll was \$32,026,400 and total payroll was \$34,896,350.

Utah County also participates in a 401K plan administered by Mutual Benefit Life Insurance Company and Prudential Asset Management. The County will match contributions to the plan up to 5% of salary. Contributions during the year were \$1,385,662.



**UTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2006**

**NOTE 9 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; errors and omissions; violation of civil rights; theft of, damage to, and destruction of assets; and natural disasters. These risks are covered by the County's participation in the Utah Association of Counties Insurance Mutual. This is a pooled arrangement where the counties pay experienced rated annual premiums which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base. Property physical damage is insured to replacement value; automobile physical damage is insured to actual value with a \$1,000 deductible; other liability is insured up to \$1,000,000, or the statutory limit. The County also provides workers compensation coverage through the Workers Compensation Fund of Utah. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**(UNAUDITED)**

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## UTAH COUNTY

### Ratings for the County's Road System

For the year ended December 31, 2006

As allowed by GASB Statement 34, the County has adopted the modified approach for reporting, where infrastructure assets are not depreciated, and maintenance and preservation costs are expensed. The County capitalizes costs related to new construction or major replacements under the modified approach.

In order to utilize the modified approach, the County is required to:

1. Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
2. Perform and document replicable condition assessments of the eligible infrastructure assets at the condition level disclosed by the County.
3. Estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level disclosed by the County.
4. Document that the infrastructure assets are being preserved approximately at, or above the condition level established by the County.

For several years, the County has used an inventory system that evaluates the Condition and Safety of its roads. This system rates good roads with a high value and poor roads with a low value by road type. Roads are re-inventoried each year to determine current condition and safety needs. Roads in each road type with low values are then targeted for maintenance in the coming budget year.

The rating system includes the following variables: a. **Surface Type** - rated from 2 points for dirt roads to 10 points for concrete roads; b. **Surface Condition** - rated with 2 points for surface failure to 15 points for no cracking; c. **Ride-ability** - rated from 2 points for very poor to 10 points for excellent; d. **Base Conditions** - rated from 5 points for very poor to 25 points for excellent; e. **Alignment** - rated at 2 points for serious problems to 10 points for straight alignment; f. **Grade** - rated at 2 points for extensive grade problems to 10 points for no grade problems; g. **Safety Issues** - rated at 2 points for obstacles to 10 points for no issues; h. **Average Daily Traffic** - rated at 2 points for 2000 vehicles per day to 1 point for 100 vehicles per day; i. **Drainage** - rated at 2 points for very poor to 10 points for excellent; and j. **Clear Zone** - rated at 2 points for ditches too close to 10 points for ten feet of clear zone.

On 12-31-2006 the County had 76.87 miles of dirt roads, 104.96 miles of gravel roads and 348.85 miles of paved roads.

It is the County's policy to maintain its roads at or above the average rating for each class of roads. It is also the policy that 50% of the roads in each class will be maintained above the average rating and that no more than 10% of the roads in each class will be in very poor condition.

Using the above system and at the end of the 2006 year, our dirt roads were rated between 39 and 67 with an average value of 54. This amounts to 61% of the dirt roads being above average condition and 9% of the dirt roads being in very poor condition.

Using the above system and at the end of the 2006 year, our gravel roads were rated between 47 and 99 with an average value fo 65. This amounts to 49% of the gravel roads being above average condition and 9% of the gravel roads being in very poor condition.

Using the above system and at the end of the 2006 year, our paved roads were rated between 55 and 109 with an average value of 84. This amounts to 54% of the paved roads being above average condition and 7% of the paved roads being in very poor condition.

Over the last five reporting years, the estimated amounts needed and actual expenditures utilized to maintain and preserve the County's road system are as follows (capital expenditures are not included):

<u>YEAR</u>	<u>BUDGET</u>	<u>EXPENDITURES</u>
2002	\$2,400,000	\$2,323,282
2003	\$2,200,000	\$2,006,939
2004	\$2,300,000	\$2,333,840
2005	\$2,400,000	\$2,400,563
2006	\$2,400,000	\$2,367,980

Because of annexations, our total value of our roads system decreased from \$68,961,522 on 12-31-05 to \$67,814,676 on 12-31-06.

**UTAH COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
Year Ended December 31, 2006

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget -</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>Revenues:</b>				
Property taxes	\$ 22,939,200	\$ 24,004,200	\$ 25,178,752	\$ 1,174,552
Sales Taxes	17,300,000	21,300,000	19,076,739	(2,223,261)
Licenses and Permits	95,000	100,000	101,220	1,220
Intergovernmental	4,608,127	4,658,867	4,580,180	(78,687)
Charges for Service	9,922,798	10,246,798	10,531,289	284,491
Fines and Forfeitures	2,410,000	2,570,000	2,605,781	35,781
Interest and Other	82,250	82,250	1,465,686	1,383,436
<b>Total revenues</b>	<b>57,357,375</b>	<b>62,962,115</b>	<b>63,539,647</b>	<b>577,532</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	20,748,135	21,233,695	19,047,074	2,186,621
Public Safety	30,374,119	30,487,920	29,097,267	1,390,653
Public Health	20,100	20,100	10,160	9,940
Highway and Streets	6,123,048	6,159,159	4,996,683	1,162,476
Culture and Recreation	2,652,935	2,652,935	2,321,007	331,928
<b>Total expenditures</b>	<b>59,918,337</b>	<b>60,553,809</b>	<b>55,472,191</b>	<b>5,081,618</b>
Excess of revenues over expenditures	(2,560,962)	2,408,306	8,067,456	5,659,150
<b>Other financing sources (uses):</b>				
Transfer in	5,012,717	5,971,836	5,051,224	(920,612)
Transfer out	(9,614,091)	(10,649,134)	(7,230,143)	3,418,991
<b>Total Other Financing Sources and (Uses)</b>	<b>(4,601,374)</b>	<b>(4,677,298)</b>	<b>(2,178,919)</b>	<b>2,498,379</b>
<b>Net change in fund balances</b>	<b>(7,162,336)</b>	<b>(2,268,992)</b>	<b>5,888,537</b>	<b>8,157,529</b>
<b>Fund balances - beginning</b>	<b>10,571,832</b>	<b>10,571,832</b>	<b>10,571,832</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 3,409,496</b>	<b>\$ 8,302,840</b>	<b>\$ 16,460,369</b>	<b>\$ 8,157,529</b>

**UTAH COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Health Fund**  
**Major Special Revenue Fund**  
**Year Ended December 31, 2006**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget -</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>Revenues:</b>				
Fees	\$ 3,391,425	\$ 3,571,425	\$ 4,188,759	\$ 617,334
Intergovernmental	11,950,263	12,130,263	10,544,042	(1,586,221)
Other	-	-	468,776	468,776
Total revenues	15,341,688	15,701,688	15,201,577	(500,111)
<b>Expenditures:</b>				
Salaries, Wages and Benefits	8,211,599	8,211,599	7,921,737	289,862
Material, Supplies and Services	11,173,781	11,329,194	9,420,246	1,908,948
Other	153,105	153,105	42,394	110,711
Total expenditures	19,538,485	19,693,898	17,384,377	2,309,521
Excess (deficiency) of revenues over (under) expenditures	(4,196,797)	(3,992,210)	(2,182,800)	1,809,410
<b>Other financing sources (uses)</b>				
Operating transfers in	2,400,000	2,400,000	2,400,000	-
Net change in fund balances	(1,796,797)	(1,592,210)	217,200	1,809,410
<b>Fund balances - beginning</b>	9,752,497	9,752,497	9,752,497	-
<b>Fund balances - ending</b>	<u>\$ 7,955,700</u>	<u>\$ 8,160,287</u>	<u>\$ 9,969,697</u>	<u>\$ 1,809,410</u>

**UTAH COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Substance Abuse Fund**  
**Major Special Revenue Fund**  
**Year Ended December 31, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,583,949	\$ 5,583,949	\$ 5,110,150	\$ (473,799)
Earnings on investments		-	-	-
<b>Total revenues</b>	<b>5,583,949</b>	<b>5,583,949</b>	<b>5,110,150</b>	<b>(473,799)</b>
<b>Expenditures:</b>				
Salaries, Wages and Benefits	3,113,957	3,113,957	2,904,115	209,842
Materials, Supplies and Services	2,895,746	2,907,134	2,669,311	237,823
Other	11,160	11,160	6,551	4,609
<b>Total expenditures</b>	<b>6,020,863</b>	<b>6,032,251</b>	<b>5,579,977</b>	<b>452,274</b>
Excess (deficiency) of revenues over (under) expenditures	(436,914)	(448,302)	(469,827)	(21,525)
<b>Other financing sources (uses):</b>				
Transfers in	236,632	236,632	236,632	-
Transfers out	-	(170,566)	(170,566)	-
<b>Total other financing sources (uses)</b>	<b>236,632</b>	<b>66,066</b>	<b>66,066</b>	<b>-</b>
Net change in fund balances	(200,282)	(382,236)	(403,761)	(21,525)
<b>Fund balance - beginning</b>	<b>1,061,240</b>	<b>1,061,240</b>	<b>1,061,240</b>	<b>-</b>
<b>Fund balance - ending</b>	<b>\$ 860,958</b>	<b>\$ 679,004</b>	<b>\$ 657,479</b>	<b>\$ (21,525)</b>

**Utah County Government**  
**Schedule of Transient Room Tax Revenue and Expenditure**  
**For the Year Ended December 31, 2006**

**TRANSIENT ROOM TAX**

Establishing and promoting:

Recreation

Tourism

Film production

Conventions

\$ 997,087

Acquiring, leasing, constructing, furnishing, or operating:

Convention meeting rooms

Exhibit halls

Visitor information centers

Museums

Related facilities

Acquiring or leasing land required for or related to:

Convention meeting rooms

Exhibit halls

Visitor information centers

Museums

Related facilities

Mitigation costs

Payment of principal, interest, premiums, and reserves on bonds

\$ 318,856

Total expenditures

\$ 1,315,942

**TOURISM, RECREATION, CULTURE, AND CONVENTION FACILITIES TAXES**

Financing tourism promotion

\$ 120,980

Development, operation, and maintenance of:

Tourist facilities

\$ 2,000

Recreation facilities

\$ 2,859,597

Cultural facilities

\$ 668,897

Pledges as security for evidence of indebtedness

Reserves and Pledges

Reserves on bonds related to TRT funds

Pledges as security for evidences of indebtedness related to TRCC

Total expenditures

\$ 3,651,475



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**COMBINING FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY SCHEDULES**

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**UTAH COUNTY**  
**COMBINING BALANCE SHEET**  
**NON MAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2006**

Special Revenue Funds

	Community Development	Soldier Summit	UVCVB	Senior Services	Assessing & Collecting	6	7	Service Area	8	9	Mineral Lease	911 Line	Dispatch	Recreation & Culture	Wildland Fire	Childrens Justice	Debt Service	Total
<b>ASSETS</b>																		
Cash & Investments	\$842,694	\$36,840	\$1,632,706	\$53,911	\$5,031,647	\$801,567	\$292,134	\$288,103	\$77,492	\$77,492	\$20,855	\$1,847,422	\$42,139	\$6,956,168	\$53,418	\$65	\$12,377,117	\$30,854,278
Taxes Receivable		1,799	171,971			671,538	181,215	174,270	62,734		6,092	234,489	262,105	\$82,913	334,459	192,818	1,420,836	3,601,735
Accounts Receivable	7,612			91,484														794,600
Prepaid Expense																		0
<b>Total Assets</b>	<b>\$850,306</b>	<b>\$38,639</b>	<b>\$1,804,677</b>	<b>\$145,395</b>	<b>\$5,031,647</b>	<b>\$1,473,105</b>	<b>\$473,349</b>	<b>\$462,373</b>	<b>\$140,226</b>	<b>\$140,226</b>	<b>\$26,947</b>	<b>\$2,081,911</b>	<b>\$304,244</b>	<b>\$7,539,081</b>	<b>\$887,877</b>	<b>\$192,883</b>	<b>\$13,797,953</b>	<b>\$35,230,613</b>
<b>Liabilities and Fund Balance</b>																		
<b>Liabilities</b>																		
Accounts Payable	\$179,362	\$0	\$40,982	\$38,085	\$29,670	\$0	\$4,628	\$0	\$0	\$0	\$0	\$532,130	\$85,641	\$10,406	\$30,267	\$31,532	\$271,521	\$1,254,224
Due to Other Funds																		65,450
<b>Total Liabilities</b>	<b>179,362</b>	<b>0</b>	<b>40,982</b>	<b>38,085</b>	<b>29,670</b>	<b>0</b>	<b>4,628</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>532,130</b>	<b>85,641</b>	<b>10,406</b>	<b>30,267</b>	<b>96,982</b>	<b>271,521</b>	<b>1,319,674</b>
<b>Fund Balance</b>																		
Designated			1,000,000		5,001,977													6,031,977
Undesignated	670,944	38,639	733,695	107,310	0	1,473,105	468,721	462,373	140,226	140,226	26,947	1,549,781	218,603	7,528,675	857,610	95,901	13,526,432	27,898,962
<b>Total Fund Balance</b>	<b>670,944</b>	<b>38,639</b>	<b>1,763,695</b>	<b>107,310</b>	<b>5,001,977</b>	<b>1,473,105</b>	<b>468,721</b>	<b>462,373</b>	<b>140,226</b>	<b>140,226</b>	<b>26,947</b>	<b>1,549,781</b>	<b>218,603</b>	<b>7,528,675</b>	<b>857,610</b>	<b>95,901</b>	<b>13,526,432</b>	<b>33,930,939</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$850,306</b>	<b>\$38,639</b>	<b>\$1,804,677</b>	<b>\$145,395</b>	<b>\$5,031,647</b>	<b>\$1,473,105</b>	<b>\$473,349</b>	<b>\$462,373</b>	<b>\$140,226</b>	<b>\$140,226</b>	<b>\$26,947</b>	<b>\$2,081,911</b>	<b>\$304,244</b>	<b>\$7,539,081</b>	<b>\$887,877</b>	<b>\$192,883</b>	<b>\$13,797,953</b>	<b>\$35,230,613</b>

UTAH COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006

Special Revenue Funds																	
	Community Development	Soldier Summit	UVCVB	Senior Service	Assessing & Collecting	6	7	8	9	Mineral Lease	911 Line	Dispatch	Recreation & Culture	Wildland Fire	Childrens Justice	Debt Service	Total
Revenues																	
Taxes	\$0	(\$4,938)	\$1,191,312	\$0	\$0	\$1,236,424	\$456,992	\$439,108	\$71,735	\$0	\$0	\$0	\$2,961,925	\$0	\$0	\$3,399,862	\$9,736,020
Licenses & Permits	488,175																488,175
Intergovernmental				608,765						6,092	1,726,634						3,469,000
Charges for Services																	
Other	47,772	3,249	64,066	3,615		64,638	43,487	23,280	9,300	934	69,988	691,144	691,144	829,624	436,287		1,531,776
Total Revenue	546,955	(1,589)	1,255,378	612,380	0	1,301,062	500,079	462,388	85,035	7,026	1,796,622	691,144	4,047,705	29,246	10,907	21,370	786,510
Expenditures																	
General Government																	
Health	780,866				\$28,450						1,422,310	1,314,187		1,716,601	481,925		6,245,359
Culture & Recreation			1,044,361	693,573			575,211						421,612		0		2,159,546
Intergovernmental																	575,211
Debt Service			262,459			0	575,211	0	0	0	1,422,310	1,314,187	421,612	1,716,601	481,925	6,666,921	8,929,380
Total Expenditures	780,866	0	1,306,820	693,573	\$28,450												15,909,476
Excess (Deficiency) of Revenue Over Expenditures	(233,911)	(1,589)	(51,442)	(81,193)	(528,450)	1,301,062	(75,132)	462,388	85,035	7,026	374,312	(623,043)	3,626,093	(857,351)	(34,731)	(3,245,689)	122,005
Other Financing Sources (Uses)																	
Transfers In	233,907			75,649	(958,071)	(1,000,000)	100,000		(513,907)			631,500		500,000	34,943	8,434,128	10,009,527
Transfers Out			(9,123)														(5,960,964)
Refunding Bond Issuance																	
Payments to Refunding Escrow																	0
Total Other Financing Sources (Uses)	233,907	0	(9,123)	75,649	(958,071)	(1,000,000)	100,000	(513,907)	(250,000)	0	0	631,500	(3,229,863)	500,000	34,943	8,434,128	4,048,563
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(4)	(1,589)	(60,565)	(6,144)	(1,487,521)	301,062	24,868	(51,519)	(164,965)	7,026	374,312	8,457	396,230	(357,351)	212	5,188,439	4,170,568
Fund Balances - Jan. 1	670,948	40,228	1,824,260	113,454	6,489,498	1,172,043	443,853	513,892	305,191	19,921	1,175,469	210,146	7,132,445	1,215,341	95,689	8,337,993	29,760,371
Fund Balances - Dec. 31	\$670,944	\$38,639	\$1,763,695	\$107,310	\$3,001,977	\$1,473,105	\$468,721	\$462,373	\$140,226	\$26,947	\$1,549,781	\$218,603	\$7,538,675	\$857,610	\$95,901	\$13,526,432	\$33,930,939

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**COMMUNITY DEVELOPMENT**  
**NON MAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
<b>Revenue</b>				
Licenses and Permits	\$298,000	\$488,175	\$190,175	\$314,447
Fees	10,000	11,008	1,008	11,130
Other	5,500	47,772	42,272	25,194
Total	<u>313,500</u>	<u>546,955</u>	<u>233,455</u>	<u>350,771</u>
<b>Expenditures</b>				
Salaries, Wages & Benefits	629,511	576,831	52,680	561,147
Materials, Supplies & Services	234,015	194,907	39,108	117,521
Capital Outlay	18,433	9,128	9,305	7,431
Total	<u>881,959</u>	<u>780,866</u>	<u>101,093</u>	<u>686,099</u>
<b>Excess (Deficiency) of Revenue Over Expenditures</b>	(568,459)	(233,911)	334,548	(335,328)
<b>Other Financing Sources (Uses)</b>				
Transfer In	<u>250,000</u>	<u>233,907</u>	<u>(16,093)</u>	<u>355,000</u>
<b>Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures</b>	(318,459)	(4)	318,455	19,672
<b>Fund Balance - January 1</b>	<u>670,948</u>	<u>670,948</u>	<u>0</u>	<u>651,276</u>
<b>Fund Balance - December 31</b>	<u><u>\$352,489</u></u>	<u><u>\$670,944</u></u>	<u><u>\$318,455</u></u>	<u><u>\$670,948</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**SOLDIER SUMMIT**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budget Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Taxes	\$3,000	(\$4,938)	(\$7,938)	\$12,562
Other	1,600	3,349	1,749	2,637
Total	<u>4,600</u>	<u>(1,589)</u>	<u>(6,189)</u>	<u>15,199</u>
Expenditures				
Materials, Supplies & Services	29,600	0	29,600	26
Total	<u>29,600</u>	<u>0</u>	<u>29,600</u>	<u>26</u>
Excess (Deficiency) of Revenue Over Expenditures	(25,000)	(1,589)	23,411	15,173
Fund Balance - January 1	<u>40,228</u>	<u>40,228</u>	<u>0</u>	<u>25,055</u>
Fund Balance - December 31	<u>\$15,228</u>	<u>\$38,639</u>	<u>\$23,411</u>	<u>\$40,228</u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
*UTAH VALLEY CONVENTION AND VISITOR BUREAU (UVCVB)*  
**NON MAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budget Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Taxes	\$1,000,000	\$1,191,312	\$191,312	\$1,016,103
Other	0	64,066	64,066	46,148
Total	<u>1,000,000</u>	<u>1,255,378</u>	<u>255,378</u>	<u>1,062,251</u>
Expenditures				
Salaries, Wages & Benefits	0	0	0	0
Materials, Supplies & Services	1,385,000	1,315,943	69,057	1,003,676
Debt Service	0	0	0	0
Total	<u>1,385,000</u>	<u>1,315,943</u>	<u>69,057</u>	<u>1,003,676</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(385,000)</u>	<u>(60,565)</u>	<u>324,435</u>	<u>58,575</u>
Fund Balance - January 1	<u>1,824,260</u>	<u>1,824,260</u>	<u>0</u>	<u>1,765,685</u>
Fund Balance - December 31	<u><u>\$1,439,260</u></u>	<u><u>\$1,763,695</u></u>	<u><u>\$324,435</u></u>	<u><u>\$1,824,260</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**SENIOR SERVICES**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Intergovernmental	\$655,368	\$608,765	(\$46,603)	\$628,885
Other	8,767	3,615	(5,152)	4,127
Total	<u>664,135</u>	<u>612,380</u>	<u>(51,755)</u>	<u>633,012</u>
Expenditures				
Salaries, Wages & Benefits	242,281	234,093	8,188	214,741
Materials, Supplies & Services	518,949	459,312	59,637	479,683
Capital Outlay	290	168	122	990
Total	<u>761,520</u>	<u>693,573</u>	<u>67,947</u>	<u>695,414</u>
Excess (Deficiency) of Revenue Over Expenditures	(97,385)	(81,193)	16,192	(62,402)
Other Financing Sources (Uses)				
Transfer In	<u>96,151</u>	<u>75,049</u>	<u>(21,102)</u>	<u>59,402</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1,234)	(6,144)	(4,910)	(3,000)
Fund Balance - January 1	<u>113,454</u>	<u>113,454</u>	<u>0</u>	<u>116,454</u>
Fund Balance - December 31	<u><u>\$112,220</u></u>	<u><u>\$107,310</u></u>	<u><u>(\$4,910)</u></u>	<u><u>\$113,454</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**

*SERVICE AREA 6*

*NONMAJOR SPECIAL REVENUE FUND*  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Actual Amounts</u>
Revenue				
Property Tax	\$1,000,000	\$1,236,424	\$236,424	\$1,143,062
Other	0	64,638	64,638	8,216
Total	<u>1,000,000</u>	<u>1,301,062</u>	<u>301,062</u>	<u>1,151,278</u>
Transfer To				
Law Enforcement	(1,000,000)	(1,000,000)	0	(940,000)
Planning				
Total	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>0</u>	<u>(940,000)</u>
Excess (Deficiency) of Revenue Over Transfers	0	301,062	301,062	211,278
Fund Balance - January 1	<u>1,172,043</u>	<u>1,172,043</u>	<u>0</u>	<u>960,765</u>
Fund Balance - December 31	<u><u>\$1,172,043</u></u>	<u><u>\$1,473,105</u></u>	<u><u>\$301,062</u></u>	<u><u>\$1,172,043</u></u>



**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**

*SERVICE AREA 7*

*NONMAJOR SPECIAL REVENUE FUND*

**FOR THE YEAR ENDED DECEMBER 31, 2006**

With Comparative Totals for 2005

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Property Tax	\$385,000	\$456,592	\$71,592	\$442,851
Other	12,500	43,487	30,987	19,707
Total	<u>397,500</u>	<u>500,079</u>	<u>102,579</u>	<u>462,558</u>
Expenditures				
Fire Allotments	<u>732,040</u>	<u>575,211</u>	<u>156,829</u>	<u>696,188</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(334,540)</u>	<u>(75,132)</u>	<u>259,408</u>	<u>(233,630)</u>
Other Financing Sources (Uses)				
Transfer In	100,000	100,000	0	50,000
Transfer (Out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Other Financing Sources (Uses)	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>50,000</u>
Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures	<u>(234,540)</u>	<u>24,868</u>	<u>259,408</u>	<u>(183,630)</u>
Fund Balance - January 1	<u>443,853</u>	<u>443,853</u>	<u>0</u>	<u>627,483</u>
Fund Balance - December 31	<u>\$209,313</u>	<u>\$468,721</u>	<u>\$259,408</u>	<u>\$443,853</u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
*SERVICE AREA 8*  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Property Tax	\$370,000	\$439,108	\$69,108	\$426,243
Other		23,280	23,280	9,922
Total	<u>370,000</u>	<u>462,388</u>	<u>92,388</u>	<u>436,165</u>
Operating Transfers To				
General Fund	(280,000)	(280,000)	0	(30,000)
Planning & Zoning	<u>(250,000)</u>	<u>(233,907)</u>	<u>16,093</u>	<u>(355,000)</u>
Total	<u>(530,000)</u>	<u>(513,907)</u>	<u>16,093</u>	<u>(385,000)</u>
Excess (Deficiency) of Revenue Over Transfers	(160,000)	(51,519)	108,481	51,165
Fund Balance - January 1	<u>513,892</u>	<u>513,892</u>	<u>0</u>	<u>462,727</u>
Fund Balance - December 31	<u><u>\$353,892</u></u>	<u><u>\$462,373</u></u>	<u><u>\$108,481</u></u>	<u><u>\$513,892</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
*SERVICE AREA 9*  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Property Tax	\$60,000	\$75,735	\$15,735	\$63,589
Other		9,300	9,300	7,969
Total	<u>60,000</u>	<u>85,035</u>	<u>25,035</u>	<u>71,558</u>
Expenditures				
Fire Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>60,000</u>	<u>85,035</u>	<u>25,035</u>	<u>71,558</u>
Other Financing Sources (Uses)				
Transfer In	0	0	0	0
Transfer Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>0</u>	<u>(50,000)</u>
Total	<u>(250,000)</u>	<u>(250,000)</u>	<u>0</u>	<u>(50,000)</u>
Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures	<u>(190,000)</u>	<u>(164,965)</u>	<u>25,035</u>	<u>21,558</u>
Fund Balance - January 1	<u>305,191</u>	<u>305,191</u>	<u>0</u>	<u>283,533</u>
Fund Balance - December 31	<u><u>\$115,191</u></u>	<u><u>\$140,226</u></u>	<u><u>\$25,035</u></u>	<u><u>\$305,091</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**MINERAL LEASE**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenues				
Intergovernmental	\$5,100	\$6,092	\$992	\$5,626
Other Revenue		934	934	390
Total Revenue	5,100	7,026	1,926	6,016
Expenditures	19,000	0	19,000	
Excess (Deficiency) of Revenue Over Expenditures	(13,900)	7,026	20,926	6,016
Other Financing Sources (Uses)				
Transfer In (Out)	0		0	0
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	(13,900)	7,026	20,926	6,016
Fund Balance - January 1	19,921	19,921	0	13,905
Fund Balance - December 31	\$6,021	\$26,947	\$20,926	\$19,921

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**

*911 LINE*

**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
<b>Revenues</b>				
Intergovernmental	\$1,485,000	\$1,726,634	\$241,634	\$1,296,351
Misc. Income	0	69,988	69,988	26,918
Total	<u>1,485,000</u>	<u>1,796,622</u>	<u>311,622</u>	<u>1,323,269</u>
<b>Expenditures</b>				
Salaries, Wages & Benefits	468,505	440,562	27,943	397,578
Materials, Supplies & Service	1,301,329	981,748	319,581	785,140
Capital Outlay	8,000	0	8,000	985
Total	<u>1,777,834</u>	<u>1,422,310</u>	<u>355,524</u>	<u>1,183,703</u>
<b>Excess (Deficiency) of Revenue Over Expenditures</b>	(292,834)	374,312	667,146	139,566
<b>Other Financing Sources (Uses)</b>				
Operating Trasfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Excess (Deficiency) of Revenue Over Expenditures and Operating Transfers</b>	(292,834)	374,312	667,146	139,566
<b>Fund Balance - January 1</b>	<u>1,175,469</u>	<u>1,175,469</u>	<u>0</u>	<u>1,035,903</u>
<b>Fund Balance - December 31</b>	<u>\$882,635</u>	<u>\$1,549,781</u>	<u>\$667,146</u>	<u>\$1,175,469</u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**DISPATCH**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
<b>Revenues</b>				
Fees	\$680,227	\$691,144	\$10,917	\$380,024
Other Revenue	0	0	0	2,730
Total	<u>680,227</u>	<u>691,144</u>	<u>10,917</u>	<u>382,754</u>
<b>Expenditures</b>				
Salaries, Wages & Benefits	1,273,343	1,180,896	92,447	955,222
Materials, Supplies & Services	193,920	132,602	61,318	129,896
Capital Outlay	1,000	689	311	694
Total	<u>1,468,263</u>	<u>1,314,187</u>	<u>154,076</u>	<u>1,085,812</u>
<b>Excess (Deficiency) of Revenue     Over Expenditures</b>	<u>(788,036)</u>	<u>(623,043)</u>	<u>164,993</u>	<u>(703,058)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer In	813,036	631,500	(181,536)	702,558
Transfer Out	(25,000)	0	25,000	
<b>Total Other Financing Sources (Uses)</b>	<u>788,036</u>	<u>631,500</u>	<u>(156,536)</u>	<u>702,558</u>
<b>Excess (Deficiency) of Revenue     and Other Financing Sources     Over Expenditures and Other Uses</b>	<u>0</u>	<u>8,457</u>	<u>8,457</u>	<u>(500)</u>
<b>Fund Balance - January 1</b>	<u>210,146</u>	<u>210,146</u>	<u>0</u>	<u>210,646</u>
<b>Fund Balance - December 31</b>	<u><u>\$210,146</u></u>	<u><u>\$218,603</u></u>	<u><u>\$8,457</u></u>	<u><u>\$210,146</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**RECREATION AND CULTURE**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenue				
Restaurant Tax	\$3,250,000	\$2,961,925	(\$288,075)	\$3,301,556
Intergovernmental	712,000	691,222	(20,778)	578,061
Misc Income	0	394,558	394,558	196,301
Total	<u>3,962,000</u>	<u>4,047,705</u>	<u>85,705</u>	<u>4,075,918</u>
Expenditures				
Recreation and Culture	<u>1,664,995</u>	<u>421,612</u>	<u>1,243,383</u>	<u>641,189</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>2,297,005</u>	<u>3,626,093</u>	<u>1,329,088</u>	<u>3,434,729</u>
Other Financing Sources (Uses)				
Transfer In	0	0	0	0
Transfer Out	<u>(4,055,967)</u>	<u>(3,229,863)</u>	<u>826,104</u>	<u>(2,028,705)</u>
Total	<u>(4,055,967)</u>	<u>(3,229,863)</u>	<u>826,104</u>	<u>(2,028,705)</u>
Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures	<u>(1,758,962)</u>	<u>396,230</u>	<u>2,155,192</u>	<u>1,406,024</u>
Fund Balance - January 1	<u>7,132,445</u>	<u>7,132,445</u>	<u>0</u>	<u>5,726,421</u>
Fund Balance - December 31	<u><u>\$5,373,483</u></u>	<u><u>\$7,528,675</u></u>	<u><u>\$2,155,192</u></u>	<u><u>\$7,132,445</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**WILDLAND FIRE SERVICE**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
Revenues				
Fees	\$961,397	\$829,624	(\$131,773)	\$819,229
Other Revenue	20,000	29,246	9,246	39,409
Total Revenue	<u>981,397</u>	<u>858,870</u>	<u>(122,527)</u>	<u>858,638</u>
Expenditures				
Salaries, Wages & Benefits	999,548	734,853	264,695	675,293
Materials, Supplies & Services	1,319,581	981,748	337,833	537,965
Total Expenditures	<u>2,319,129</u>	<u>1,716,601</u>	<u>602,528</u>	<u>1,213,258</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(1,337,732)</u>	<u>(857,731)</u>	<u>480,001</u>	<u>(354,620)</u>
Other Financing Sources (Uses)				
Transfer In	500,000	500,000	0	500,000
Transfer Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>500,000</u>	<u>0</u>	<u>500,000</u>
Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures and Other Uses	<u>(837,732)</u>	<u>(357,731)</u>	<u>480,001</u>	<u>145,380</u>
Fund Balance - January 1	<u>1,215,341</u>	<u>1,215,341</u>	<u>0</u>	<u>1,069,961</u>
Fund Balance - December 31	<u>\$377,609</u>	<u>\$857,610</u>	<u>\$480,001</u>	<u>\$1,215,341</u>



**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**CHILDREN'S JUSTICE**  
**NONMAJOR SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
<b>Revenues</b>				
Intergovernmental	\$439,773	\$436,287	(\$3,486)	\$512,894
Other	43,158	10,907	(32,251)	0
Total	<u>482,931</u>	<u>447,194</u>	<u>(35,737)</u>	<u>512,894</u>
<b>Expenditures</b>				
Salaries, Wages & Benefits	379,446	388,070	(8,624)	368,419
Materials, Supplies & Services	95,966	89,704	6,262	61,736
Capital Outlay	12,536	4,151	8,385	7,744
Total	<u>487,948</u>	<u>481,925</u>	<u>6,023</u>	<u>437,899</u>
<b>Excess (Deficiency) of Revenue     Over Expenditures</b>	<u>(5,017)</u>	<u>(34,731)</u>	<u>(29,714)</u>	<u>74,995</u>
<b>Other Financing Sources</b>				
Transfer In	<u>35,218</u>	<u>34,943</u>	<u>(275)</u>	<u>12,008</u>
<b>Excess (Deficiency) of Revenue     and Other Financing Sources     Over Expenditures</b>	<u>30,201</u>	<u>212</u>	<u>(29,989)</u>	<u>87,003</u>
<b>Fund Balance - January 1</b>	<u>95,689</u>	<u>95,689</u>	<u>0</u>	<u>8,686</u>
<b>Fund Balance - December 31</b>	<u><u>\$125,890</u></u>	<u><u>\$95,901</u></u>	<u><u>(\$29,989)</u></u>	<u><u>\$95,689</u></u>

**UTAH COUNTY**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**NONMAJOR DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**With Comparative Totals for 2005**

	2006			2005
	Final Budget Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Actual Amounts
<b>Revenue</b>				
Property Taxes	\$3,350,000	\$3,399,862	\$49,862	\$3,276,806
Other		21,370	21,370	12,004
Total	<u>3,350,000</u>	<u>3,421,232</u>	<u>71,232</u>	<u>3,288,810</u>
<b>Expenditures</b>				
Debt Service:				
Bond Issuance Costs	0	0	0	256,814
Principal Retirement	4,950,000	4,861,633	88,367	1,795,000
Interest and Fiscal Charges	1,764,097	1,805,288	(41,191)	1,161,981
Total	<u>6,714,097</u>	<u>6,666,921</u>	<u>47,176</u>	<u>3,213,795</u>
<b>Excess (Deficiency) of Revenue Over Expenditures</b>	<u>(3,364,097)</u>	<u>(3,245,689)</u>	<u>118,408</u>	<u>75,015</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	7,239,866	8,434,128	1,194,262	3,459,975
Refunding Bond Issuance	0	0	0	23,871,651
Payments to Refunding Escrow	0	0	0	(23,614,837)
Total Other Source and (Uses)	<u>7,239,866</u>	<u>8,434,128</u>	<u>1,194,262</u>	<u>3,716,789</u>
<b>Excess (Def) of Revenues and Other Sources over Expenditure and (Uses)</b>	<u>3,875,769</u>	<u>5,188,439</u>	<u>1,312,670</u>	<u>3,791,804</u>
<b>Fund Balance - January 1</b>	<u>8,337,993</u>	<u>8,337,993</u>	<u>0</u>	<u>4,546,189</u>
<b>Fund Balance - December 31</b>	<u><u>\$12,213,762</u></u>	<u><u>\$13,526,432</u></u>	<u><u>\$1,312,670</u></u>	<u><u>\$8,337,993</u></u>

**UTAH COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Major Capital Projects Fund**  
**Year Ended December 31, 2006**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget -</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>Revenues</b>				
Local sources:				
Intergovernmental	\$ -	\$ -	\$ 69,490	\$ 69,490
Earnings on investments	-	-	1,308,518	1,308,518
Total revenues	-	-	1,378,008	1,378,008
<b>Expenditures</b>				
Capital Outlay	33,750,211	33,750,211	11,653,159	22,097,052
Total expenditures	33,750,211	33,750,211	11,653,159	22,097,052
Excess (deficiency) of revenues over (under) expenditures	(33,750,211)	(33,750,211)	(10,275,151)	23,475,060
<b>Other Financing Sources (Uses)</b>				
Transfer in	620,000	790,566	457,197	(333,369)
Transfers Out	(1,440,789)	(1,440,789)	(2,315,778)	874,989
Sale of Capital Assets	-	-	-	-
Issuance of Bonds	7,615,000	7,615,000	7,615,000	-
Bond Premium	-	-	122,401	122,401
Total other financing sources (uses)	6,794,211	6,964,777	5,878,820	664,021
Net change in fund balances	(26,956,000)	(26,785,434)	(4,396,331)	24,139,081
<b>Fund balance - beginning</b>	<b>29,627,805</b>	<b>29,627,805</b>	<b>29,627,805</b>	<b>-</b>
<b>Fund balance - ending</b>	<b>\$ 2,671,805</b>	<b>\$ 2,842,371</b>	<b>\$ 25,231,474</b>	<b>\$ 24,139,081</b>

**UTAH COUNTY**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**DECEMBER 31, 2006**

	<b>Internal Service Funds</b>						
	<b>Motor Pool</b>	<b>Kitchen</b>	<b>Telephone</b>	<b>Radio</b>	<b>Building Maintenance</b>	<b>Information Systems</b>	<b>Total</b>
<b><u>ASSETS</u></b>							
Current Assets							
Cash	\$4,333,488	\$1,661,677	\$780,725	\$175,223	\$1,923,190	\$486,514	\$9,360,817
Accounts Receivable	140,948	799	474,796	147,007	133,759	133,928	1,031,237
Inventory	109,645	78,043					187,688
Prepaid Expenses							0
<b>Total Current Assets</b>	<b>4,584,081</b>	<b>1,740,519</b>	<b>1,255,521</b>	<b>322,230</b>	<b>2,056,949</b>	<b>620,442</b>	<b>10,579,742</b>
Capital Assets							
Equipment, Vehicles, Furniture	9,417,395	71,236	972,715	2,083,458	43,500	1,188,002	13,776,306
Accumulated Depreciation	(5,916,559)	(47,818)	(706,737)	(1,612,087)	(8,864)	(880,363)	(9,172,428)
<b>Net Property, Plant &amp; Equipment</b>	<b>3,500,836</b>	<b>23,418</b>	<b>265,978</b>	<b>471,371</b>	<b>34,636</b>	<b>307,639</b>	<b>4,603,878</b>
<b>Total Assets</b>	<b>8,084,917</b>	<b>1,763,937</b>	<b>1,521,499</b>	<b>793,601</b>	<b>2,091,585</b>	<b>928,081</b>	<b>15,183,620</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>							
Liabilities							
Account Payable	\$82,514	\$69,898	\$481,147	\$39,620	\$252,395	\$209,589	\$1,135,163
<b>Total Liabilities</b>	<b>82,514</b>	<b>69,898</b>	<b>481,147</b>	<b>39,620</b>	<b>252,395</b>	<b>209,589</b>	<b>1,135,163</b>
Net Assets							
Invested in Capital Assets	3,500,836	23,418	265,978	471,371	34,636	307,639	4,603,878
Unrestricted	4,501,567	1,670,621	774,374	282,610	1,804,554	410,853	9,444,579
<b>Total Net Assets</b>	<b>\$8,002,403</b>	<b>\$1,694,039</b>	<b>\$1,040,352</b>	<b>\$753,981</b>	<b>\$1,839,190</b>	<b>\$718,492</b>	<b>\$14,048,457</b>

**UTAH COUNTY**  
**Combining Statement of Revenues, Expenses**  
**And Changes In Net Assets**  
**Internal Service Funds**  
**Year Ended December 31, 2006**

	Internal Service Funds						
	Motor Pool	Kitchen	Telephone	Radio	Building Maintenance	Information Systems	Total
Operating Revenue							
Rent and Maintenance	\$0	\$0	\$0	\$0	\$5,919,001	\$0	\$5,919,001
Leases	3,139,195		1,058,666	861,137		2,698,065	7,757,063
Meal Sales		1,257,985					1,257,985
Other Revenues	137,717	12,276	2,072		3,543	76,620	232,228
Total Operating Revenue	<u>3,276,912</u>	<u>1,270,261</u>	<u>1,060,738</u>	<u>861,137</u>	<u>5,922,544</u>	<u>2,774,685</u>	<u>15,166,277</u>
Operating Expenses							
Personal Services	618,797	272,338	105,865	101,817	1,566,484	1,590,545	4,255,846
Supplies and Materials	1,698,332	804,810	888,389	634,649	2,712,497	1,085,169	7,823,846
Depreciation	998,695	8,397	47,220	296,471	6,678	55,974	1,413,435
Total Operating Expenses	<u>3,315,824</u>	<u>1,085,545</u>	<u>1,041,474</u>	<u>1,032,937</u>	<u>4,285,659</u>	<u>2,731,688</u>	<u>13,493,127</u>
Operating Income (Loss)	<u>(38,912)</u>	<u>184,716</u>	<u>19,264</u>	<u>(171,800)</u>	<u>1,636,885</u>	<u>42,997</u>	<u>1,673,150</u>
Non-Operating Revenue (Expense)							
Interest	213,491	73,586	37,566	11,445	100,930	24,626	461,644
Sale of Assets	3,751			1,500		2,390	7,641
Total Non-Operating Income (Expense)	<u>217,242</u>	<u>73,586</u>	<u>37,566</u>	<u>12,945</u>	<u>100,930</u>	<u>27,016</u>	<u>469,285</u>
Net Income (Loss) Before Operating Transfers	<u>178,330</u>	<u>258,302</u>	<u>56,830</u>	<u>(158,855)</u>	<u>1,737,815</u>	<u>70,013</u>	<u>2,142,435</u>
Operating Transfers In					272,746	0	272,746
Operating Transfers Out	<u>(75,000)</u>	<u>(142,501)</u>			<u>(2,532,374)</u>		<u>(2,749,875)</u>
Net Operating Transfers	<u>(75,000)</u>	<u>(142,501)</u>	<u>0</u>	<u>0</u>	<u>(2,259,628)</u>	<u>0</u>	<u>(2,477,129)</u>
Net Income (Loss) Before Capital Contributions	<u>103,330</u>	<u>115,801</u>	<u>56,830</u>	<u>(158,855)</u>	<u>(521,813)</u>	<u>70,013</u>	<u>(334,694)</u>
Capital Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income	<u>103,330</u>	<u>115,801</u>	<u>56,830</u>	<u>(158,855)</u>	<u>(521,813)</u>	<u>70,013</u>	<u>(334,694)</u>
Net Assets - Beg	<u>7,899,073</u>	<u>1,578,238</u>	<u>983,522</u>	<u>912,836</u>	<u>2,361,003</u>	<u>648,479</u>	<u>14,383,151</u>
Net Assets - End	<u>\$8,002,403</u>	<u>\$1,694,039</u>	<u>\$1,040,352</u>	<u>\$753,981</u>	<u>\$1,839,190</u>	<u>\$718,492</u>	<u>\$14,048,457</u>

**UTAH COUNTY**  
**Combining Statement of Fund Cash Flows**  
**Internal Service Funds**  
**Year Ended December 31, 2006**

	Internal Service Funds						Totals
	Motor Pool	Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
<b>Cash flows from operating activities:</b>							
Receipts from interfund services provided	\$ 3,246,013	\$ 1,269,462	\$ 591,092	\$ 753,761	\$ 6,057,395	\$ 2,710,564	\$ 14,628,287
Payment for Salaries, Wages, Benefits	(618,797)	(272,338)	(105,865)	(101,817)	(1,566,484)	(1,590,545)	(4,255,846)
Payment for Supplies, Materials, Services	(1,671,702)	(781,324)	(451,628)	(561,932)	(2,618,648)	(1,013,466)	(7,098,700)
Net cash provided (used) by operating activities	955,514	215,800	33,599	90,012	1,872,263	106,553	3,273,741
<b>Cash flows from noncapital financing activities:</b>							
Operating transfers	(75,000)	(142,501)	-	-	(2,259,628)	276,763	(2,200,366)
<b>Cash flows from capital and related financing activities:</b>							
Purchases of capital assets	(1,237,703)	(17,036)	(123,984)	(262,167)	(12,597)	(447,444)	(2,100,931)
Receipts from sale of capital assets	3,751	-	-	1,500	-	2,390	7,641
Net cash provided (used) by capital and related act.	(1,233,952)	(17,036)	(123,984)	(260,667)	(12,597)	(445,054)	(2,093,290)
<b>Cash flows from investing activities:</b>							
Interest received	213,491	72,819	37,566	11,445	100,930	24,626	460,877
Net increase in cash and cash equivalents	(139,947)	129,082	(52,819)	(159,210)	(299,032)	(37,112)	(559,038)
<b>Cash and Cash Equivalents - Beginning</b>	<b>4,473,435</b>	<b>1,532,595</b>	<b>833,544</b>	<b>334,433</b>	<b>2,222,222</b>	<b>523,626</b>	<b>9,919,855</b>
<b>Cash and Cash Equivalents - Ending</b>	<b>\$ 4,333,488</b>	<b>\$ 1,661,677</b>	<b>\$ 780,725</b>	<b>\$ 175,223</b>	<b>\$ 1,923,190</b>	<b>\$ 486,514</b>	<b>\$ 9,360,817</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating income (loss)	\$ (38,912)	\$ 184,716	\$ 19,264	\$ (171,800)	\$ 1,636,885	\$ 42,997	\$ 1,673,150
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and Amortization	998,695	8,397	47,220	296,471	6,678	55,974	1,413,435
(Increase) decrease in accounts receivable	(30,899)	(799)	(469,646)	(107,376)	134,851	(64,121)	(537,990)
Increase (decrease) in accounts payable	26,630	23,486	436,761	72,717	93,849	71,703	725,146
Total adjustments	994,426	31,084	14,335	261,812	235,378	63,556	1,600,591
Net cash provided (used) by operating activities	\$ 955,514	\$ 215,800	\$ 33,599	\$ 90,012	\$ 1,872,263	\$ 106,553	\$ 3,273,741
<b>Noncash investing, capital, and financing activities:</b>	none	none	none	none	none	none	none

**UTAH COUNTY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

	Balance January 1 2006	Additions	Deductions	Balance December 31 2006
<b><u>Auditor's Trusts</u></b>				
Assets				
Cash	\$3,564,414	\$981,394	\$347,886	\$4,197,922
Accounts Receivable	35,413	35,418	35,413	35,418
Prepays	629,356	0	629,356	0
Total	<u>\$4,229,183</u>	<u>\$1,016,812</u>	<u>\$1,012,655</u>	<u>\$4,233,340</u>
Liabilities				
Accounts Payable	\$257,971	\$345,761	\$257,971	\$345,761
Due Other Governments	3,971,212	671,051	754,684	3,887,579
	<u>\$4,229,183</u>	<u>\$1,016,812</u>	<u>\$1,012,655</u>	<u>\$4,233,340</u>
<b><u>Treasurer's Trust</u></b>				
Assets				
Cash	\$55,908,492	\$454,970,087	\$407,958,625	\$102,919,954
Taxes Receivable	4,289,030		2,945,048	1,343,982
Total Assets	<u>\$60,197,522</u>	<u>\$454,970,087</u>	<u>\$410,903,673</u>	<u>\$104,263,936</u>
Liabilities				
Due Other Governments	<u>\$60,197,522</u>	<u>\$454,970,087</u>	<u>\$410,903,673</u>	<u>\$104,263,936</u>
<b><u>Totals - All Agency Funds</u></b>				
Assets				
Cash	\$59,472,906	\$455,951,481	\$408,306,511	\$107,117,876
Taxes Receivable	4,289,030	0	2,945,048	1,343,982
Accounts Receivable	35,413	35,418	35,413	35,418
Prepays	629,356	0	629,356	0
Total Assets	<u>\$64,426,705</u>	<u>\$455,986,899</u>	<u>\$411,916,328</u>	<u>\$108,497,276</u>
Liabilities				
Due to Other Governments	\$64,168,734	\$455,641,138	\$411,658,357	\$108,151,515
Accounts Payable	257,971	345,761	257,971	345,761
Total Liabilities	<u>\$64,426,705</u>	<u>\$455,986,899</u>	<u>\$411,916,328</u>	<u>\$108,497,276</u>

**UTAH COUNTY**  
**Combining Statement of Net Assets**  
**Discretely Presented Component Units**  
**December 31, 2006**

ASSETS	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Convention and Visitors Bureau	Wasatch Mental Health	Total
<b>Current Assets</b>						
Cash	\$5,180,584	\$1,836,996	\$1,353,799	\$69,246	\$7,211,321	\$15,651,946
Accounts Receivable	1,878,359	514,895	177,062		1,964,682	4,534,998
Taxes Receivable			84,741			84,741
Inventory	2,760			16,201		18,961
Other	39,327	27,674		39,523	4,730,391	4,836,915
<b>Total</b>	<b>7,101,030</b>	<b>2,379,565</b>	<b>1,615,602</b>	<b>124,970</b>	<b>13,906,394</b>	<b>25,127,561</b>
<b>Capital Assets</b>						
Land	2,017,807	1,309,668	95,583	0	1,250,000	4,673,058
Construction in Progress	5,394,998	0	762,734	0	0	6,157,732
Water Rights			427,671			427,671
Depreciable Assets - Net	41,452,758	2,118,426	1,123,231	48,518	4,573,345	49,316,278
<b>Total</b>	<b>48,865,563</b>	<b>3,428,094</b>	<b>2,409,219</b>	<b>48,518</b>	<b>5,823,345</b>	<b>60,574,739</b>
<b>Other Assets</b>	<b>43,989,470</b>		<b>56,693</b>	<b>166,290</b>	<b>466,976</b>	<b>44,679,429</b>
<b>Total Assets</b>	<b>99,956,063</b>	<b>5,807,659</b>	<b>4,081,514</b>	<b>339,778</b>	<b>20,196,715</b>	<b>130,381,729</b>
<b>LIABILITIES &amp; NET ASSETS</b>						
<b>Current Liabilities</b>						
Accounts Payable	\$1,023,189	\$341,140	\$21,197	\$11,307	\$802,184	\$2,199,017
Accrued Interest	195,208		1,815			197,023
Deferred Revenue					1,105,935	1,105,935
Other Current Liabilities	131,171	108,599	7,887	16,499	5,573,747	5,837,903
Current Portion of Long-Term Deb	2,170,008	62,032	329,898			2,561,938
<b>Total Current Liabilities</b>	<b>3,519,576</b>	<b>511,771</b>	<b>360,797</b>	<b>27,806</b>	<b>7,481,866</b>	<b>11,901,816</b>
<b>Long-Term Liabilities</b>						
Mortgage or Leases Payable	66,000	212,271	237,442			515,713
Bonds Payable	32,366,708		187,915			32,554,623
Compensated Absences					972,981	972,981
<b>Total Long-Term Liabilities</b>	<b>32,432,708</b>	<b>212,271</b>	<b>425,357</b>	<b>0</b>	<b>972,981</b>	<b>34,043,317</b>
<b>Total Liabilities</b>	<b>35,952,284</b>	<b>724,042</b>	<b>786,154</b>	<b>27,806</b>	<b>8,454,847</b>	<b>45,945,133</b>
<b>Net Assets</b>						
Invested In Capital Assets - Net	14,262,847	3,153,791	1,006,670	0	5,823,345	24,246,653
Restricted For Debt Service	43,949,470		45,800			43,995,270
Unrestricted	5,791,462	1,929,826	2,242,890	311,972	5,918,523	16,194,673
<b>Total Net Assets</b>	<b>\$64,003,779</b>	<b>\$5,083,617</b>	<b>\$3,295,360</b>	<b>\$311,972</b>	<b>\$11,741,868</b>	<b>\$84,436,596</b>



**UTAH COUNTY**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**Discretely Presented Component Units**  
**Year Ended December 31, 2006**

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Convention and Visitors Bureau	Wasatch Mental Health	Total
<b>Operating Revenue</b>						
Charges for Services	\$7,107,835	\$7,047,246	\$485,938	\$1,195,609	\$19,084,318	\$34,920,946
<b>Operating Expense</b>						
Cost of Services	2,061,863	1,190,312	205,589	404,872	14,306,821	18,169,457
General and Administrative	1,889,568	4,797,532	287,445	889,738	4,618,772	12,483,055
Depreciation	1,562,587	244,153	94,999	7,967	475,867	2,385,573
Total Operating Expense	5,514,018	6,231,997	588,033	1,302,577	19,401,460	33,038,085
<b>Operating Income (Loss)</b>	<b>1,593,817</b>	<b>815,249</b>	<b>(102,095)</b>	<b>(106,968)</b>	<b>(317,142)</b>	<b>1,882,861</b>
<b>Nonoperating Revenue (Expenses)</b>						
Interest Revenue	2,337,113	129,158	13,435	0	391,663	2,871,369
Interest Expense and Fiscal Charges	(1,723,333)	(146,221)	(10,154)	0		(1,879,708)
Other Revenue (Expense)	11,635,177	269,375	1,526,305	23,038	77,223	13,531,118
Total Nonoperating Revenue (Exp.)	12,248,957	252,312	1,529,586	23,038	468,886	14,522,779
<b>Net Income (Loss)</b>	<b>13,842,774</b>	<b>1,067,561</b>	<b>1,427,491</b>	<b>(83,930)</b>	<b>151,744</b>	<b>16,405,640</b>
<b>Net Assets - Beginning</b>	<b>50,161,005</b>	<b>4,016,056</b>	<b>1,867,869</b>	<b>395,902</b>	<b>11,590,124</b>	<b>68,030,956</b>
<b>Net Assets - Ending</b>	<b>\$64,003,779</b>	<b>\$5,083,617</b>	<b>\$3,295,360</b>	<b>\$311,972</b>	<b>\$11,741,868</b>	<b>\$84,436,596</b>

**UTAH COUNTY**  
**Combining Statement of Cash Flows**  
**Discretely Presented Component Units**  
**Year Ended December 31, 2006**

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Convention and Visitors Bureau	Wasatch Mental Health	Totals
<b>Cash flows from operating activities:</b>						
Cash Received From Customers	\$ 7,164,743	\$ 7,228,656	\$ 492,656	\$ 1,179,627	\$ 19,526,925	\$ 35,592,607
Payment for Salaries, Wages, Benefits	(998,867)	(4,940,028)	(279,266)	(401,212)	(14,306,821)	(20,926,194)
Payment for Supplies, Materials, Services	(2,059,600)	(1,176,159)	(205,051)	(796,651)	(4,820,532)	(9,057,993)
Net cash provided (used) by operating activities	4,106,276	1,112,469	8,339	(18,236)	399,572	5,608,420
<b>Cash flows from noncapital financing activities:</b>						
Property Taxes Collected	-	-	158,821	-	-	158,821
<b>Cash flows from capital and related financing activities:</b>						
Purchase of Capital Assets	(5,764,861)	(136,879)	(333,409)	-	(224,706)	(6,459,855)
Proceeds From Sale of Capital Assets	3,496	112,760	168,858	-	333	285,447
Proceeds From Issuance of Long Debt Debt	-	-	-	-	-	-
Interest Paid on Long Term Debt	(1,733,784)	(146,221)	(16,944)	-	-	(1,896,949)
Principal Paid on Long Term Debt	(1,797,377)	(1,349,549)	(53,797)	-	-	(3,200,723)
Impact Fees and Capital Facility Fees	11,717,050	-	1,190,000	-	-	12,907,050
Net cash provided (used) by capital and related	2,424,524	(1,519,889)	954,708	-	(224,373)	1,634,970
<b>Cash flows from investing activities:</b>						
Receipt of Note Receivable	-	-	-	-	10,698	10,698
Land Lease Receipts	-	28,601	-	-	-	28,601
Interest Received	2,337,113	129,158	13,435	15,982	404,053	2,899,741
Net cash provided (used) by investing activities	2,337,113	157,759	13,435	15,982	414,751	2,939,040
<b>Net increase in cash and cash equivalents</b>	<b>8,867,913</b>	<b>(249,661)</b>	<b>1,135,303</b>	<b>(2,254)</b>	<b>589,950</b>	<b>10,341,251</b>
<b>Cash and Cash Equivalents - Beginning</b>	<b>40,262,141</b>	<b>2,086,657</b>	<b>265,101</b>	<b>237,790</b>	<b>6,621,371</b>	<b>49,473,060</b>
<b>Cash and Cash Equivalents - Ending</b>	<b>\$ 49,130,054</b>	<b>\$ 1,836,996</b>	<b>\$ 1,400,404</b>	<b>\$ 235,536</b>	<b>\$ 7,211,321</b>	<b>\$ 59,814,311</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 1,593,817	\$ 815,249	\$ (102,095)	\$ (99,912)	\$ (317,142)	\$ 1,889,917
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	1,562,587	266,116	94,999	7,967	475,867	2,407,536
(Increase) decrease in accounts receivable	56,908	(78,387)	6,718	-	417,465	402,704
(Increase) decrease in prepaid expenses	(8,897)	5,481	2,000	61,730	(3,085,353)	(3,025,039)
Increase (decrease) in accounts payable	899,598	90,257	6,179	8,319	582,241	1,586,594
Increase (decrease) in accrued liabilities	2,263	13,753	538	3,660	2,326,494	2,346,708
Increase (decrease) in retention payable	-	-	-	-	-	-
Increase (decrease) in accrued interest	-	-	-	-	-	-
Total adjustments	2,512,459	297,220	110,434	81,676	716,714	3,718,503
Net cash provided (used) by operating activities	\$ 4,106,276	\$ 1,112,469	\$ 8,339	\$ (18,236)	\$ 399,572	\$ 5,608,420
<b>Noncash investing, capital, and financing activities:</b>	<b>\$ 144,385</b>	<b>none</b>	<b>\$ 272,840</b>	<b>none</b>	<b>none</b>	<b>none</b>

UTAH COUNTY

STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF  
FOR THE YEAR ENDED DECEMBER 31, 2006

Taxing Units	Total Real Centrality Assessed Value	Less: Real & Centrality Assessed RDA Value	Less: Personal Property RDA Value	RDA Adjusted Real Property Value	RDA Adjusted Personal Property Value	RDA Adjusted Taxable Value	Current YR Real Property Tax Rate	Prior YR Personal Property Tax Rate	Real & Cent. Ass'd Taxes Charged	Personal Property Taxes Charged	Total Taxes Charged
Alpine City	\$627,329,988			\$627,329,988	\$3,383,909	\$630,713,897	0.001091	0.001091	\$684,417	\$3,874	\$690,291
Alpine Fork	11,202,844,981	(\$471,810,336)	(\$84,413,955)	10,731,034,645	456,113,508	11,187,148,153	0.006883	0.006883	73,861,711	3,687,926	77,549,637
Benjamin Fork	1,096,326,639	(61,053,059)	(15,288,096)	1,035,273,580	48,236,138	1,083,509,718	0.002276	0.002276	2,827,332	109,785	2,937,118
Benjamin Cemetery	43,275,539			43,275,539	184,956	43,460,495	0.000187	0.000188	8,093	35	8,127
Cedar Fort Town	12,364,502			12,364,502	1,507,786	13,872,288	0.000553	0.000559	6,838	843	7,681
Cedar Hills	375,833,851			375,833,851	1,717,802	377,551,653	0.002837	0.001690	1,073,757	2,903	1,076,660
Central Utah Water	18,898,270,587	(742,082,582)	(129,198,603)	18,156,088,005	989,825,451	19,146,013,456	0.000400	0.000400	6,481,759	395,930	6,877,689
Draper	149,342,861			149,342,861	18,018	149,360,879	0.001274	0.001469	190,263	26	190,289
Eagle Mountain	402,971,113			402,971,113	1,896,644	404,867,757	0.001747	0.001789	703,991	3,393	707,384
Ellridge	87,477,408			87,477,408	1,357,085	88,834,493	0.002209	0.002209	188,601	2,998	191,599
Fairfield	5,033,786			5,033,786	415,583	5,449,369	0.002296	0.000000	11,558	0	11,558
Genola	39,055,877			39,055,877	301,228	39,357,105	0.001041	0.001061	40,657	320	40,977
Goshute	16,775,155			16,775,155	439,724	17,214,879	0.000368	0.000370	6,173	163	6,336
Highland	909,330,828			909,330,828	6,157,483	915,488,311	0.001359	0.001459	1,263,998	8,984	1,272,981
Jordan Valley Wtr	124,673,472			124,673,472	648	124,674,120	0.000333	0.000400	44,010	0	44,010
Lehi	1,620,000,151	(111,348,448)	(42,648,510)	1,508,651,703	41,945,838	1,550,597,541	0.002604	0.002663	3,928,529	111,702	4,040,231
Lehi Metro Water	84,594,368			84,594,368	1,508,651,703	1,508,597,561	0.000011	0.000011	16,595	461	17,057
London	621,378,265	(64,804,549)	(11,162,209)	556,573,716	64,217,750	620,791,466	0.001702	0.001862	947,288	119,573	1,066,862
Mapleton	389,657,686			389,657,686	4,023,272	393,680,958	0.002031	0.002587	791,395	10,408	801,803
Neko	4,115,190,591	(56,974,318)	(17,950,135)	4,058,216,273	257,547,149	4,315,763,422	0.000696	0.002803	35,290,249	2,370,206	37,660,455
North Fork Fire & Water	171,442,237			171,442,237	2,308,960	173,751,197	0.000934	0.000988	166,127	2,281	168,408
North Fork Co. Water	195,026,019			195,026,019	136,341,325	6,064,902,569	0.000028	0.000033	160,000	4,999	170,999
Orem	3,324,624,407	(302,564,316)	(20,810,074)	3,022,060,091	219,460,282	3,241,520,373	0.002045	0.002036	6,180,113	446,831	6,626,934
Orem Metro Water	240,270,356			240,270,356	219,460,282	3,241,520,373	0.000042	0.000043	126,927	9,437	136,363
Payson	501,143,343			501,143,343	28,838,196	530,001,539	0.001492	0.001575	701,949	45,420	747,370
Pleasant Grove	1,051,861,680	(21,922,185)	(748,089)	1,029,939,495	25,763,312	1,055,702,807	0.002033	0.002349	2,093,867	85,613	2,179,480
Provo City	3,580,252,371	(123,415,708)	(20,591,490)	3,456,836,663	282,207,817	3,739,044,480	0.002722	0.002891	9,409,509	815,863	10,225,372
Provo School Dist.	302,799,307			302,799,307	2,754,787	3,774,555,485	0.006124	0.006124	21,433,364	1,762,210	23,195,574
Salem	196,579,208			196,579,208	8,218,537	204,797,745	0.001516	0.001591	298,014	13,092	311,106
Santaquin	187,359,280			187,359,280	2,629,802	189,989,082	0.001883	0.001959	352,798	5,152	357,949
Santaquin Springs	451,465,687			451,465,687	4,087,691	455,553,378	0.001331	0.001338	600,901	606,452	1,207,353
Service Area #6	1,049,569,412			1,049,569,412	30,740,207	1,080,309,619	0.001072	0.001091	1,125,138	33,538	1,158,676
Service Area #7	690,971,379			690,971,379	25,973,138	716,944,517	0.000600	0.000614	414,583	15,948	430,530
Service Area #8	25,973,138			25,973,138	25,973,138	716,944,517	0.000577	0.000591	398,690	15,350	414,041
Service Area #9	358,425,857			358,425,857	4,767,069	363,192,926	0.001194	0.001195	69,335	930	70,265
Soldier Summit	172,176			172,176	0	172,176	0.001888	0.001846	325	0	325
South Valley Sewer Dist	124,253,429			124,253,429	648	124,254,077	0.000407	0.000473	50,571	0	50,571
Spanish Fork	1,029,217,727	(26,306,500)	(11,825,149)	1,002,911,227	76,436,625	1,079,347,852	0.001164	0.001333	1,167,389	101,890	1,269,279
Springville	964,205,232			964,205,232	112,380,918	1,076,586,150	0.001827	0.001905	1,761,603	214,086	1,975,689
Traverse Ridge	124,673,472			124,673,472	648	124,674,120	0.002389	0.003181	297,847	2	297,849
State Assess. & Collect.	18,898,270,587			18,898,270,587	1,119,024,054	20,017,294,641	0.000139	0.000173	2,626,860	193,591	2,820,451
Local Assess. & Collect.	18,898,270,587			18,898,270,587	1,119,024,054	20,017,294,641	0.000044	0.000178	831,524	199,186	1,030,710
Utah County	18,898,270,587	(742,082,582)	(129,198,603)	18,156,088,005	989,825,451	19,146,013,456	0.000924	0.000866	16,776,318	857,189	17,633,507
Utah County Jail Bond	18,898,270,587	(742,082,582)	(129,198,603)	18,156,088,005	989,825,451	19,146,013,456	0.000155	0.000174	2,814,209	172,230	2,986,439
Vineyard	128,659,185			128,659,185	21,734,419	150,393,604	0.001931	0.002037	248,441	44,273	292,714
Woodland Hills	83,468,731			83,468,731	124,948	85,593,679	0.001718	0.001718	146,835	215	147,050
American Fork RDA	47,443,800			47,443,800	11,697,100	59,140,900	0.010373	0.010788	492,135	121,334	613,469
American Fork Egg Farm	13,609,259			13,609,259	3,590,996	17,200,255	0.010373	0.010788	141,169	37,249	178,418
Lehi RDA	12,373,421			12,373,421	216,720	12,590,141	0.010443	0.010443	129,216	2,263	131,479
Lehi RDA (Micron)	98,975,027			98,975,027	42,431,790	141,406,817	0.010443	0.010443	1,033,596	443,115	1,476,711
Lindon Redevelopment	64,804,549			64,804,549	11,162,209	75,966,758	0.010010	0.010341	648,694	111,734	760,427
Orem RDA	212,682,095			212,682,095	14,567,052	227,249,147	0.010395	0.010558	2,210,830	151,425	2,362,255
Orem RDA (ADDL)	89,882,221			89,882,221	6,243,022	96,125,243	0.003512	0.003459	375,923	21,925	397,847
Payson RDA	15,148,793			15,148,793	908,377	16,057,170	0.011613	0.010730	175,923	10,549	186,472
Payson RDA Bus Park	15,519,025			15,519,025	5,216,609	20,735,634	0.011613	0.010730	180,222	60,580	240,803
Pleasant Gr RDA	21,922,185			21,922,185	748,089	22,670,274	0.010369	0.010861	227,311	7,757	235,068
Provo RDA	93,434,317			93,434,317	15,044,520	108,478,837	0.010294	0.009575	961,813	154,868	1,116,681
Provo RDA (ADDL)	29,981,391			29,981,391	5,546,970	35,528,361	0.004147	0.004271	124,333	23,003	147,336
Spanish Fork RDA	10,281,834			10,281,834	18,451,746	28,733,580	0.011031	0.010488	203,541	113,419	316,960
Spanish Fork Canyon	7,854,754			7,854,754	1,543,315	9,398,069	0.011031	0.010488	86,646	17,024	103,670
Grand Totals	\$145,683,296,129	(\$3,456,703,173)	(\$627,147,697)	\$142,223,493,156	\$7,785,536,212	\$150,009,029,368			\$205,351,742	\$13,127,049	\$218,478,791

\* Penalties and interest are included in redemptions.

**UTAH COUNTY**  
**STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

Taxing Units	Treasurer's Relief			Current			Other Collections			Delinquent Collections *		
	Unpaid Taxes	Abatements	Other	Total Treasurer's Relief	Current Year Taxes Collected	Current Year Collection Rate	Fee In Lieu Motor Vehicles	Misc. Collections	Tax	Interest/ Penalty		
Alpine City	\$52,043	\$1,440	\$27,133	\$80,616	\$609,675	88.32%	\$88,440	\$16,837	\$32,887	\$1,298		
Alpine School	4,301,196	345,181	2,529,585	7,175,962	70,373,675	90.75%	10,215,326	1,919,396	6,124,390	225,509		
American Fork	137,577	21,815	33,419	192,811	2,744,307	93.44%	408,653	29,367	178,422	7,618		
Benjamin Cemetery	268	76	228	572	7,555	92.96%	528	396	414	46		
Cedar Fort Town	488	23	(95)	416	7,264	94.58%	1,885	304	669	46		
Cedar Hills	46,597	3,924	32,309	82,830	993,830	92.31%	122,454	19,214	45,604	1,122		
Central Utah Water	363,311	32,107	220,318	615,736	6,261,953	91.05%	891,310	167,577	519,279	19,673		
Draper	22,332	320	7,203	29,855	160,434	84.31%	4,920	4,750	13,283	209		
Eagle Mountain	45,751	1,992	22,201	69,944	637,440	90.11%	113,366	36,144	62,986	2,190		
Elkridge	8,064	1,059	9,658	18,781	172,818	90.20%	29,093	14,190	12,803	367		
Fairfield	589	205	(636)	158	11,400	98.63%	2,549	553	680	7		
Genola	1,422	146	1,505	3,073	37,904	92.50%	7,335	1,812	2,399	68		
Goshute	324	113	104	541	5,795	91.46%	2,258	88	319	13		
Highland	98,306	4,327	44,440	147,073	1,125,908	88.45%	142,352	31,403	67,786	1,349		
Jordan Valley Wtr	4,146	89	1,936	6,171	37,839	85.98%	1,242	1,227	3,395	54		
Lehi	230,744	12,141	91,503	334,388	3,705,843	91.72%	559,525	129,436	336,239	9,863		
Lehi Metro Water	975	51	611	1,637	15,420	90.40%	2,364	545	1,420	43		
London	60,847	2,649	16,073	79,569	987,293	92.54%	135,542	33,946	80,749	4,250		
Mapleton	48,558	4,253	23,885	76,696	725,107	90.43%	99,701	67,529	54,325	1,500		
Nabo	1,860,208	223,998	980,289	3,064,495	34,595,960	91.86%	5,067,863	1,333,801	2,564,268	92,244		
North Fork Fire & Water	13,099	78	4,445	17,622	144,786	89.15%	778	978	13,878	460		
North, Utah Co. Water	10,228	731	5,998	16,957	153,542	90.05%	23,261	4,790	422,922	18,956		
Orem	286,421	40,587	163,288	490,296	6,136,638	92.60%	1,001,045	65,507	9,082	418		
Orem Metro Water	5,882	834	3,623	10,339	126,024	92.42%	20,559	1,348	49,774	1,681		
Payson	31,333	7,734	30,467	69,534	677,836	90.70%	146,356	22,253	81,038	4,469		
Pleasant Grove	107,223	14,798	54,971	176,992	1,977,393	91.78%	366,091	74,003	814,094	35,341		
Provo City	486,860	38,185	352,546	877,591	9,347,781	91.42%	1,169,780	119,112	1,758,505	76,475		
Provo School Dist.	1,099,459	86,231	693,021	1,878,711	21,316,863	91.90%	2,641,628	275,597	23,936	690		
Salem	16,706	2,766	5,506	24,978	286,128	91.97%	55,704	17,965	29,750	1,120		
Santaquin	30,389	1,932	6,176	38,497	319,452	89.25%	66,751	15,751	70,623	1,928		
Saratoga Springs	56,078	1,562	17,302	74,942	531,510	87.64%	78,297	40,815	112,520	6,238		
Service Area #6	63,141	1,972	39,961	105,074	1,053,602	90.93%	25,977	55,767	37,901	1,098		
Service Area #7	29,090	1,076	13,901	44,067	386,463	89.76%	14,335	21,768	36,468	1,056		
Service Area #8	27,975	1,035	13,382	42,392	371,649	89.76%	13,785	20,934	7,812	707		
Service Area #9	2,010	9	2,753	4,772	65,692	93.23%	66	3,047	188	63		
Soldier Summit	109	0	113	212	212	65.24%	0	46	3,887	259		
South Valley Sewer Dist	4,780	102	2,232	7,114	43,457	85.93%	1,428	1,404	78,255	2,723		
Spanish Fork	56,426	8,413	26,695	91,534	1,177,745	92.79%	197,055	32,282	133,284	4,766		
Springville	98,802	10,467	49,913	159,182	1,816,507	91.94%	262,615	31,213	25,890	424		
Traverse Ridge	28,058	600	13,105	41,763	256,084	85.98%	8,407	8,324	316,799	12,519		
State Assess. & Collect.	141,457	12,501	137,600	291,558	2,528,893	89.66%	347,103	66,609	107,094	4,576		
Local Assess. & Collect.	44,778	3,957	176,207	224,942	805,788	78.18%	109,874	21,551	1,232,716	654,266		
Utah County	940,334	83,101	405,681	1,429,116	16,204,391	91.90%	2,306,832	536,075	208,555	109,879		
Utah County Jail Bond	157,741	13,940	96,280	267,961	2,718,478	91.03%	386,970	76,959	13,443	227		
Vineyard	9,661	19	(4,383)	5,297	287,417	98.19%	2,695	2,051	11,430	290		
Woodland Hills	8,660	348	3,212	12,220	134,830	91.69%	15,247	1,541	0	0		
American Fork RDA	71,991	0	(40,627)	31,364	582,105	94.89%	0	0	0	0		
American Fork Egg Farm	19,511	0	(50,918)	0	153,723	86.16%	0	0	0	0		
Lehi RDA	0	0	(31,407)	0	123,899	100.00%	0	0	0	0		
Lehi RDA (Micron)	45,398	6,635	(38,763)	12,270	1,476,711	99.13%	0	0	0	0		
London Redevelopment	132,200	(217,167)	(84,967)	2,447,222	753,792	99.13%	0	0	0	0		
Orem RDA	0	(11,488)	(11,488)	349,080	2,447,222	103.60%	0	0	0	0		
Orem RDA (ADDTL)	33,215	(12,473)	(12,473)	20,742	165,730	88.88%	0	0	0	0		
Payson RDA	0	(10,554)	(10,554)	251,357	104,389	104.38%	0	0	0	0		
Payson RDA Bus Park	39,487	(15,003)	(15,003)	24,484	210,584	89.58%	0	0	0	0		
Pleasant Gr RDA	123,729	(77,648)	(77,648)	46,081	1,070,600	95.87%	0	0	0	0		
Provo RDA	4,043	(2,329)	(2,329)	315,246	137,413	93.27%	0	0	0	0		
Provo RDA (ADDTL)	0	9,923	9,923	1,714	315,246	99.46%	0	0	0	0		
Spanish Fork RDA	0	(2,231)	(2,231)	105,901	105,901	102.15%	0	0	0	0		
Spanish Fork Canyon	0	(2,231)	(2,231)	105,901	105,901	102.15%	0	0	0	0		
<b>Grand Totals</b>	<b>\$1,510,020</b>	<b>\$98,887</b>	<b>\$3,910,972</b>	<b>\$18,409,879</b>	<b>\$200,268,912</b>		<b>\$27,161,283</b>	<b>\$5,326,205</b>	<b>\$15,792,340</b>	<b>\$1,311,265</b>		

\* Penalties and interest are included

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**REPORTS AND SCHEDULES REQUIRED BY:**

**SINGLE AUDIT ACT  
GOVERNMENT AUDITING STANDARDS  
UTAH STATE LEGAL COMPLIANCE**

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**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

<u>Federal Grantor/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Thru Grantor's Number</u>	<u>Expenditures</u>
<b><u>Corporation for National Service</u></b>			
Foster Grandparent Program	94.011		\$ 275,154
Senior Companion Program	94.016		216,944
Total Corporation for National Service			<u>492,098</u>
<b><u>U.S. Department of Agriculture</u></b>			
Passed Through Utah Weed Supervisors Association			
Cooperative Forestry Assistance - Weed Control	10.664		4,365
Plant and Animal Disease	10.025		987
Passed Through Utah State Dept. of Administrative Svc.			
Schools and Roads - Grants to States - Forest Reserve	10.665		52,899
Passed Through Utah Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	07-0892	244,213
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	06-0811	722,553
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	06-0811	54,068
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	07-0892	24,917
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	07-0892	66,870
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	06-0811	181,447
Special Supplemental Nutrition Program for Women, Infants, and Children-Food (Commodities)	10.557		5,447,003
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	07-0892	44,076
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	06-0811	177,423
Special Supplemental Nutrition Program for Women, Infants, and Children-Peer Counseling	10.557	07-0892	30,234
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557		6,423
Special Supplemental Nutrition Program for Women, Infants, and Children - Website Development	10.557		3,323
Total U.S. Department of Agriculture			<u>7,060,801</u>
<b><u>U.S. Department of Transportation</u></b>			
Passed Through State Department of Public Safety			
State & Community Highway Safety (Car Seat)	20.602	OP06-04-03	13,729
State & Community Highway Safety (Car Seat)	20.602	OP07-04-03	181
State & Community Highway Safety	20.600	CP07-02-07	1,919
State & Community Highway Safety	20.602	CP06-02-09	17,386
Total U.S. Department of Transportation			<u>33,215</u>

**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

<b>Federal Grantor/Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Thru Grantor's Number</b>	<b>Expenditures</b>
<b><u>U.S. Department of Health and Human Services</u></b>			
Substance Abuse and Mental Health Services - Youth Grant	93.243		216,584
<b>Passed Through Utah Department of Human Services</b>			
Block Grants for Prevention & Treatment of			
Substance Abuse - Treatment	93.959	06-0601	1,412,096
Block Grants for Prevention & Treatment of			
Substance Abuse - Prevention	93.959	06-0601	410,997
Block Grants for Prevention and Treatment of			
Substance Abuse - Adult Court	93.959	07-1129	84,600
Block Grants for Prevention and Treatment of			
Substance Abuse - Youth Court	93.959	07-1131	29,250
Drug and Substance Abuse	93.xxx	07-0703	10,000
<b>Passed Through Utah Dept. of Health</b>			
Centers for Disease Control & Prevention - Investigations			
and Technical Assistance - Pandemic Flu	93.283	07-0019	80,694
Centers for Disease Control & Prevention - Investigations			
and Technical Assistance - Pandemic Flu	93.283	07-1209	35,307
Centers for Disease Control & Prevention - Investigations			
and Technical Assistance - Comprehensive Tobacco	93.283	06-0096	19,634
Centers for Disease Control & Prevention - Investigations			
and Technical Assistance - Comprehensive Tobacco	93.283	06-0096	12,089
Cooperative Agreements for State-Based Diabetes Control			
Programs & Evaluation of Surveillance Systems	93.988	06-0096	2,598
Cooperative Agreements for State-Based Diabetes Control			
Programs & Evaluation of Surveillance Systems	93.988	06-009	1,750
Cooperative Agreements for State-Based Diabetes Control			
Programs & Evaluation of Surveillance Systems	93.988	06-2156	2,922
Maternal and Child Health Services Block Grants to States	93.994	07-0096	65,374
Maternal and Child Health Services Block Grants to States	93.994	06-1796	43,984
Maternal and Child Health Services Block Grants to States	93.994	06-2156	27,960
Maternal and Child Health Services Block Grants to States	93.994	06-0816	20,503
Maternal and Child Health Services Block Grants to States	93.994	05-2449	21,791
Maternal and Child Health Services Block Grants to States	93.994	07-0399	60,300
Maternal and Child Health Services Block Grants to States	93.994	06-0096	5,470
Preventive Health & Health Services Block Grant	93.991	06-0096	1,036
Preventive Health & Health Services Block Grant	93.991	06-2156	34,083
Preventive Health & Health Services Block Grant	93.991	06-2156	1,621
Preventive Health & Health Services Block Grant	93.991	06-0096	1,104
Immunization Grants	93.268	05-2449	58,091
Immunization Grants	93.268	07-0399	43,569
Immunization Grants	93.268	07-0399	3,500
Immunization Grants - Vaccine (Commodities)	93.268		663,905

**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

<u>Federal Grantor/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Thru Grantor's Number</u>	<u>Expenditures</u>
<b>U.S. Dept. of Health and Human Services (Continued)</b>			
Passed Through Utah Dept. of Health			
Medical Assistance Program	93.778	06-1667	14,602
Medical Assistance Program	93.778	06-1667	6,566
Medical Assistance Program	93.778	07-0887	17,961
Medical Assistance Program	93.778	07-0887	569
Medical Assistance Program	93.778	07-0887	1,393
Medical Assistance Program	93.778	07-0887	890
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	06-1667	992
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	06-1667	6,328
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	06-1667	2,043
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	06-1667	2,044
HIV Prevention Activities - Health Department Based Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Screen	93.940	06-1667	8,500
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Screen	93.283	06-0096	2,415
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Screen	93.283	06-2156	2,592
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Promo	93.283	06-2156	2,880
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer	93.283	06-0096	32,683
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer	93.283	06-2156	40,800
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Screen	93.283	06-0096	30,649
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Screen	93.283	06-2156	32,058
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Cancer Promo	93.283	06-0096	993
Centers for Disease Control & Prevention - Investigations and Technical Assistance - EPHTP	93.283	06-1611	5,000
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Bioterrorism	93.283	04-1262	4,939
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Bioterrorism	93.283	04-1262	1,324
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Bioterrorism	93.283	06-0953	234,405
Public Health and Social Services Emergency Fund	93.283	06-1678	5,223
Centers for Disease Control & Prevention - Investigations and Technical Assistance - Bioterrorism/Health Alert	93.283	07-1209	122,264



**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

<u>Federal Grantor/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Thru Grantor's Number</u>	<u>Expenditures</u>
<b>U.S. Dept. of Health and Human Services (Continued)</b>			
Passed Through Mountainland Assoc. of Governments (Continued)			
Special Programs for the Aging - Title III, Part B Grants for Supportive Services & Senior Centers	93.044		5,000
Social Services Block Grant	93.667		5,764
Social Services Block Grant	93.667		3,358
Social Services Block grant	93.667		5,845
Social Services Block Grant	93.667		1,011
Passed Through Utah Office of Attorney General			
Children's Justice Grants to States	93.643		4,000
Total US Dept. of Health & Human Services			<u>3,975,903</u>
<b><u>U.S. Department of Justice</u></b>			
State Crimnal Alien Assistance	16.606		65,608
Bullet Proof Vest Partnership Program	16.607		639
Local Law Enforcement Block Grant	16.592		384
Coverdell Forensic Sciences Improvement	16.742		69,477
Passed Through State Comm. on Criminal & Juv. Justice			
Crime Victim Assistance - VOCA	16.575	06-Voca-50	12,805
Crime Victim Assistance - VOCA	16.575	06-Voca-55	20,725
Crime Victim Assistance - VOCA	16.575	05-Voca-52	9,289
Crime Victim Assistance - VOCA	16.575	05-Voca-51	21,703
Crime Victim Assistance - Treatment	16.575	06-Voca-54	35,870
Crime Victim Assistance - Treatment	16.575	05-Voca-50	43,630
Crime Victim Assistance - Victim/Witness Coordinator	16.575	06-Voca-53	19,695
Crime Victim Assistance - Victim/Witness Coordinator	16.575	05-Voca-49	19,523
Passed Through National Children's Alliance			
Missing Children's Assistance	16.543	Provo-071-PS06	10,000
Missing Children's Assistance	16.543	Provo UT-EQ06	4,265
Total U.S. Department of Justice			<u>333,613</u>
<b><u>Environmental Protection Agency</u></b>			
Passed Through Utah Dept. of Environmental Quality			
Capitalization Grants for Drinking Water State			
Revolving Funds	66.468	05-0570	3,247
Performance Partnership Grants	66.605	05-0570	6,029
Total Environmental Protection Agency			<u>9,276</u>
<b><u>U.S. Department of Interior</u></b>			
Bureau of Land Management Assistance	15.DAU		<u>245</u>

**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

<u>Federal Grantor/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Thru Grantor's Number</u>	<u>Expenditures</u>
<b><u>U.S. Department of Homeland Security</u></b>			
Assistance to Firefighters Grant	97.044		53,651
Passed Through State Department of Public Safety			
Emergency Management Performance Grants	97.067	EMPG-2006-DHLS-0025	56,000
Chemical Stockpile Emergency Preparedness Program	97.040	DES-CSEPP-2006-004	222,589
Chemical Stockpile Emergency Preparedness Program	97.040	DES-CSEPP-2004-004	116,971
Homeland Security Grant Program	97.067	DES-2005-SHSP-008	108,164
Homeland Security Grant Program	97.067	DES-2005-LETP-008	28,603
State Domestic Preparedness Equipment Support Program	97.004	DES-2004-LETP-002	4,502
State Domestic Preparedness Equipment Support Program	97.004	DES-2004-SHSP-002	102,260
Total U.S. Department of Homeland Security			<u>692,740</u>
<b><u>U.S. Department of Education</u></b>			
Passed Through Utah Dept. of Human Services			
Safe and Drug-Free Schools	84-186B		<u>81,782</u>
<b><u>National Endowment for the Arts</u></b>			
Passed Through Utah Dept. of Community and Culture	45.024		<u>100</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 12,679,773</u></u>

**UTAH COUNTY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards is a summary of activities related to the County expenditure of Federal awards. The schedule has been prepared on the same basis of accounting as the financial statements. Most of the awards are reimbursement based. Therefore, as expenditures of federal funds are made, revenue is recognized.

**NOTE B - IMMUNIZATION VACCINE**

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. Ending inventory is reflected in the financial statements as deferred revenue. Ending inventory at December 31, 2006 is \$153,873 for the vaccines.

**NOTE C - ACCOUNTS RECEIVABLE**

The financial statements include accounts receivable from federal programs. These receivables are recorded according to the same basis of accounting as the financial statements. The receivables reflect federal awards that have been expended by yearend and not yet reimbursed.

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Utah County  
Provo, UT

June 15, 2007

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County as of and for the year ended December 31, 2006, which collectively comprise Utah County's basic financial statements and have issued our report thereon dated June 15, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Utah County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

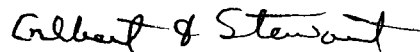
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal

control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Utah County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, County Commission, Utah State Auditor and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



GILBERT & STEWART

*Certified Public Accountants*

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Utah County  
Provo, UT

June 15, 2007

### Compliance

We have audited the compliance of Utah County with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended December 31, 2006. Utah County's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of Utah County's management. Our responsibility is to express an opinion on Utah County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Utah County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Utah County's compliance with those requirements.

In our opinion, Utah County complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended December 31, 2006.

### Internal Control Over Compliance

The management of Utah County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to

Federal programs. In planning and performing our audit, we considered Utah County's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

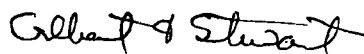
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County as of and for the year ended December 31, 2006 and have issued our report thereon dated June 15, 2007. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Utah County's basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of the county commission, management, Utah State Auditor, and Federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



GILBERT & STEWART  
Certified Public Accountants

**UTAH COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Utah County.
2. No reportable conditions were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Utah County were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major Federal award programs.
5. The auditor's report on compliance for the major Federal award programs for Utah County expresses an unqualified opinion.
6. Audit findings relative to the major Federal award programs for Utah County are reported in Part C of this schedule.
7. The program tested as a major program was: WIC 10.557.
8. The threshold for distinguishing Types A and B programs was \$382,316.
9. Utah County was determined to be a low-risk auditee under OMB Circular A-133 Standards.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS**

None

**D. PRIOR YEAR FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS**

None



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## INDEPENDENT AUDITOR'S REPORT ON LEGAL COMPLIANCE WITH APPLICABLE UTAH STATE LAWS AND REGULATIONS

Utah County  
Provo, Utah

June 15, 2007

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the remaining aggregate fund information of Utah County as of and for the year ended December 31, 2006, and have issued our report thereon dated June 15, 2007. As part of our audit, we have audited Utah County's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting special tests and provisions applicable to each of its major State assistance programs as required by the State of Utah's Legal Compliance Audit Guide for the year ended December 31, 2006. The County received the following major State assistance programs from the State of Utah:

- B Road Funds (Department of Transportation)
- Substance Abuse (Department of Human Service)
- Liquor Law Enforcement (State Tax Commission)
- Minimum Performance (Department of Health)
- Children's Justice Center (State Attorney General)
- Drug Court (Department of Human Services)

The County also received the following nonmajor grants which are not required to be audited for specific compliance requirements: (However, these programs were subject to testwork as part of the audit of the County's financial statements.)

- EMS (Department of Health)
- Medical Supervision (Department of Health)
- Indoor Clean Air (Department of Health)
- Tobacco-Prevention and Control (Department of Health)
- DHS High Risk Teen (Department of Human Service)
- Youth Correction (Department of Human Service)
- Livestock Predator Control (Department of Agriculture and Food)
- Historical Preservation
- WIC Tobacco Cessation (Department of Health)
- Asthma (Department of Health)
- State Treatment – Meth (Department of Health)

MAG Volunteer (HCBA RVP Waiver) (Mountainland's Association of Governments)  
DHS Success by Six (Department of Human Services)  
MAG Transportation (Mountainland's Association of Governments)  
Search & Rescue (Department of Health)  
State Youth Drug Court (Department of Human Services)

Our audit also included testwork on the County's compliance with those general compliance requirements identified in the Compliance Manual for Audits of Local Governments in Utah including:

Public Debt	Special Districts
Cash Management	Department of Commerce (Building Permits)
Purchasing Requirements	Statement of Taxes Charged, Collected, and Disbursed
Budgetary Compliance	Assessing and Collecting Property Taxes
Property Tax	Other General Compliance Requirements
Transient Room Tax	Impact Fees
Justice Courts Compliance	

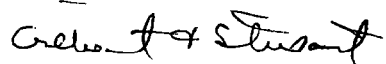
The management of Utah County is responsible for the County's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed no instances of noncompliance that are required to be reported.

In our opinion, Utah County complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major State assistance programs for the year ended December 31, 2006.

This report is intended solely for the information of management and the Utah State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

  
GILBERT & STEWART  
Certified Public Accountants